

ARTHUR ELLIS, CPA
Legislative District 28
Charles County

DEPUTY MAJORITY LEADER

Finance Committee

Vice Chair, Rules Committee

Senate Chair

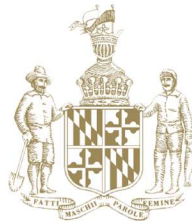
Joint Committee on the
Management of Public Funds

Senate Chair

Joint Committee on
Workers' Compensation Benefit and
Insurance Oversight

Senate Chair, Charles County Delegation

Chair, Select Committee Southern
Maryland



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 301
Annapolis, Maryland 21401
410-841-3616
800-492-7122 Ext. 3616
Arthur.Ellis@senate.maryland.gov

District Office
3261 Old Washington Road
Waldorf, Maryland 20602

Sponsor Written Testimony: Favorable

Senate Bill 0095: Property and Casualty Insurance – Parametric Insurance – Regulations

February 2, 2026

Dear Chair Beidle, Vice Chair Hayes, and esteemed members of the Finance Committee: I am writing to express my strong support for Senate Bill 95, which would authorize the Maryland Insurance Commissioner in establishing parametric insurance to facilitate rapid financial response mechanisms and better support community resilience.

Currently, the Maryland Insurance Commissioner primarily regulates indemnity or traditional insurance products in Maryland. In the context of catastrophic events, traditional insurance requires physical damage or loss to a property or person. One must file a claim and wait for an adjuster from an insurance company to evaluate the damage. The period for this process can range from weeks to months (Ward, 2023). This bill would enable the Commissioner to approve or pilot parametric products. In the context of catastrophic events, parametric insurance requires a predefined measurable event and an automatic payout if the event occurs. For instance, if there is over 18 inches of snow in 48 hours, then one would receive an automatic payment of \$200,000. The period for this process is a few days (Provines, 2025).

All Maryland residents rely on insurance companies, particularly during catastrophic events. In some instances, communities have experienced frustration by delays in receiving claim payments while simultaneously coping with damage caused by these events. The Property/Casualty Complaints unit in the Maryland Insurance Administration received thousands of complaints during 2024 (Insurance Journal, 2025). Parametric insurance reduces the time between the catastrophic event and consumers receiving their claim payment, benefiting consumers with more efficient financial support.

ARTHUR ELLIS, CPA
Legislative District 28
Charles County

DEPUTY MAJORITY LEADER

Finance Committee

Vice Chair, Rules Committee

Senate Chair

Joint Committee on the
Management of Public Funds

Senate Chair

Joint Committee on
Workers' Compensation Benefit and
Insurance Oversight

Senate Chair, Charles County Delegation

Chair, Select Committee Southern
Maryland



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 301
Annapolis, Maryland 21401
410-841-3616
800-492-7122 Ext. 3616
Arthur.Ellis@senate.maryland.gov

District Office
3261 Old Washington Road
Waldorf, Maryland 20602

By supporting this bill, Maryland will be able to provide all insurance companies in the state with a more efficient and beneficial insurance for those who were harmed by catastrophic events. Thank you for your consideration and I look forward to continuing to repair our communities together through Senate Bill 95.

Sincerely,

A handwritten signature in cursive script that reads "Arthur Ellis".

Arthur Ellis, CPA

References

Gardner, B. (2025, January 30). *Maryland regulator resolved \$33 million in insurance complaints in 2024*. *Insurance*

Journal. https://www.insurancejournal.com/news/east/2025/01/30/810105.htm?utm_source

Provines, A. (2025, September 2). *Parametric insurance: An untapped solution for public entities*. Milliman. https://www.milliman.com/en/insight/parametric-insurance-solution-public-entities?utm_source

Ward, D. (2023, July 29). *A deep dive into filing a catastrophic loss claim*. TSO Adjustment Service. <https://www.tsoadjustmentservice.com/a-deep-dive-into-filing-a-catastrophic-loss-claim>