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February 16, 2026

The Honorable Sandy J. Bartlett
Chair, House Judiciary Committee
100 Taylor House Office Building
Annapolis, Maryland 21401

RE: House Bill 526 -*Civil Actions-Settlement Agreements-Payment and Release* **UNFAVORABLE**

Dear Chair Bartlett and Members of the Committee,

I'm writing today on behalf of the Maryland Association of Mutual Insurance Companies (MAMIC) in opposition to House Bill 526.

MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of its members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

For property and casualty insurers such as those who comprise the membership of MAMIC, the orderly administration of claims is an essential component of their business. Part of claims administration, in recognition of the fact that the overwhelming majority of disputes are settled rather than taken to trial, is the settlement agreement. This agreement reflects all of the material terms that the parties agree upon, and its enforceability is well established.

House Bill 526 seeks to create an entirely new Subtitle for payment under settlement agreements. The reasons for doing so are unclear, and in view of MAMIC members, the existing practices surrounding the settlement of tort claims are effective and reflect principles of judicial economy. House Bill 526 imposes new and potentially complicated duties on the parties, without a compelling reason to assume those duties. In short, the current usage of settlement agreements to resolve disputes in civil actions is working, and should not be disturbed.

For these reasons, we respectfully request an unfavorable report on House Bill 526.

Very truly yours,

Melissa Shelley, President, MAMIC

cc: Bryson Popham