

February 16, 2026

The Honorable Sandy Bartlett, Chair
House Judiciary Committee
101 Taylor House Office Building
Annapolis, Maryland 21401

Re: House Bill 526 - Civil Actions - Settlement Agreements - Payment and Release

Chair Bartlett and Members of the Committee:

Thank you for the opportunity to provide written testimony on House Bill 526 - Civil Actions - Settlement Agreements - Payment and Release by Del. Aaron Kaufman. On behalf of the National Association of Mutual Insurance Companies (NAMIC), we must respectfully oppose HB 526 and request an unfavorable report.

The National Association of Mutual Insurance Companies (NAMIC) is the foremost trade association representing the property/casualty insurance industry. Serving more than 1,300 member companies—including local and regional insurers as well as some of the nation’s largest carriers—NAMIC members collectively write \$467 billion in annual premiums, representing 61% of the homeowners and 53% of the automobile insurance markets. For more than 130 years, NAMIC has been the leading voice advancing public policy solutions and regulatory frameworks that promote a strong, competitive market and protect our members and their policyholders.

HB 526 requires defendants to issue a release within 10 days of any oral or written agreement and to pay the full settlement within 15 days after the release is signed, even if delays are minor or unavoidable. The bill does not require any cooperation from the plaintiff, even though cooperation is often necessary in order to come to a decision on interest penalty. Because interest starts accruing from the moment an agreement is reached, a missed deadline by even a single day could trigger penalties or be used as a bad-faith setup. This approach is overly rigid and does not give courts or parties any reasonable flexibility.

HB 526 also does not clearly exempt UM/UIM or workers’ compensation claims, even though Maryland already has separate timelines for structured settlements, uninsured motorist cases, and workers’ compensation settlements. Adding another set of requirements on top of these existing rules could create confusion and add a compliance burden for insurers.

For these reasons, we respectfully request an unfavorable report for HB 526.



Gina Rotunno
Regional Vice President, Mid-Atlantic