



MARYLAND
AUTO INSURANCE

Amended - TESTIMONY – HOUSE BILL 1275

Date: February 25, 2021

Position: Informational

Bill Number: House Bill 1275

Bill Title: Maryland Automobile Insurance Fund – Liability Insurance – School Bus Contractors

House Bill 1275 Analysis

House Bill 1275 requires Maryland Auto to offer primary or supplemental coverage to an eligible applicant and a private contractor for school bus services to a County Board of Education. The coverage shall at least include at least Maryland minimal limits and Federal motor carrier limits (49 C.F.R. part 387) and the coverage shall equal or exceed the coverage provided to public contractors for school bus services in the County. Eligible applicants are exempt from the requirement of being turned down by two carriers or canceled by one.

Insurance Article 20-503 (c) allows Maryland Auto to issue a commercial automobile policy in addition to and in excess of the Maryland minimal limits (30/60/15). However, we are not required to provide these coverages except to the extent reinsurance is available and acceptable. The majority of our commercial policies are at the minimal limits. Currently, Maryland Auto has 154 commercial policies with 50/100 limits and 388 with 100/300 limits. These policies are subject to underwriting approval and specifically reviewed prior to issuance. Maryland Auto does **not** offer commercial policy limits above 100/300 or excess coverage.

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