



MARIAN HOUSE
Women Moving from Dependence to Independence

TESTIMONY IN SUPPORT OF HB57

Motor Vehicle Insurance – Rate Filings-Trade Secrets and Factors Used to Establish Rates

January 20, 2022

Delegate C. T. Wilson
House Office Building
6 Bladen Street
Annapolis, MD 21401

Testimony of Marian House IN Support of HB57

Dear Delegate C.T. Wilson & Members of the House Economic Matters Committee,

Marian House is a holistic, healing community for women and their children who are in need of housing and support services. Marian House provides comprehensive support services to assist women experiencing poverty, including those that are re-entering the community after incarceration. **I write to urge you to support House Bill 57 – Motor Vehicle Insurance – Rate filings – Trade Secrets and Factors Used to Establish Rates**

Almost forty years ago, Marian House was opened to provide reentry supports for women leaving incarceration as Sisters and laywomen recognized that lack of support contributed to recidivism rates. During our time in operation, we have assisted women in reinventing themselves through services such as: counseling, substance abuse treatments, GED tutoring, and job training. All the women we have served have overcome obstacles on their journeys to become contributing members of society in the Baltimore area. These obstacles to economic mobility due include challenges they faced due to their territory and race.

The Baltimore-Towson metropolitan area has the highest racial disparity in auto insurance premiums in the country. Zip codes with a primarily African American population have premiums that are 94% higher than zip codes with a primarily white population. These zip codes with a primarily African American population tend to have a lower economic income than their neighbors. Therefore, the practice of allowing zip codes as a factor for auto-insurance premiums is discriminatory against the population in the targeted zip codes.

Due to the state's high-cost minimum liability limits and the use of non-driving related factors, such as zip codes, Maryland's auto insurance has become unaffordable. This has created a population of Marylanders who cannot afford to drive insured. The high cost of Maryland insurance has criminalized poverty and become a barrier to seek and retain employment. Some individuals who cannot afford auto insurance continue to drive to seek and retain employment. They risk costly fines, fees, or even jail. In 2019, 14.1% of Maryland drivers drove without auto insurance. The cost of these uninsured drivers is compensated by policyholders through higher premiums. Those who do not risk driving uninsured struggle to find employment they can easily reach via public transportation or within walking distance of their residence.



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The women we serve already experience a great disadvantage in upward economic mobility with the present challenges they face. This location discriminatory policy currently in place further expands this gap, creating another barrier to women's success. On behalf of the women we serve at Marian House, I respectfully urge you to take the call to action in **SUPPORT of HB57**.

Thank you for your support,

A handwritten signature in black ink, appearing to read 'Katie Allston', with a long horizontal flourish extending to the right.

Katie Allston, LCSW-C

President & CEO