

CORY V. MCCRAY
Legislative District 45
Baltimore City

Budget and Taxation Committee

Capital Budget Subcommittee
Health and Human Services Subcommittee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote yes to SB 278

Dear Chair, Vice Chair and members of the Committee:

In 2019, I was humbled to be sworn into the Maryland State Senate and assigned to the Budget and Taxation Committee. In 2020, I was fortunate to have the rare opportunity to be appointed as Chair of the Public Safety Transportation & Environment Subcommittee. With these opportunities, there is a great responsibility to shape the \$50 plus billion dollar budget for our great State of Maryland. There is also the first-hand opportunity to learn how the functions, successes, and challenges of each agency. I try to envision each agency through an equity lens and implement much needed change by removing arbitrary barriers and advancing the communities that need it most.

During the 2022 legislative session, I will work closely with my colleague Delegate Marc Korman who is my subject matter counterpart on **Senate Bill 278**, the Maryland Automobile Insurance Fund – Installment Payment Plans. Unfortunately, inequities are baked into the statute that adversely impact consumers in low-income communities, new drivers with no previous driving record, and drivers with the inability to be added to a family member’s plan. Options for choosing a plan under a finance company are restricted for these policyholders. The insurance plans reserved for these consumers require a high down payment threshold with expensive and limited installments over a six month or yearly period. The companies fund the payments through the Maryland Automobile Insurance Fund (MAIF).

To help rectify these issues, a report was written by the Department of Legislative Services (DLS) in 2021 recommending:

- 1) the payment threshold be lowered
- 2) the timeline for the number of payments be increased
- 3) the plans be made more affordable to low-income communities
- 4) reasonable installment fees or reasonable fees for late premium payments be implemented.

As a result of these recommendations, everyone impacted would be given the ability to possibly bypass the high premiums required by these selected insurance companies, resulting in cost savings. This would also provide greater protections to policyholders by decreasing or eliminating the reliance on companies

requiring a high down payment threshold from policyholders and offering limited installments as the only option.

I was not only proud to have read the recommendations last year, but I am appreciative to work towards positive change in 2022 by helping to implement an amendment into Senate Bill 278 with Delegate Korman.

While these type of bills are not major game changers to address public safety, educational outcomes, or workforce training, I do believe that SB 278 will impact the lives of people who need to save resources the most. These small yet intentional actions highly motivated me to run for the Maryland State Senate. Most importantly, I feel as though I have the responsibility to educate my neighbors on the importance of the legislative work that we are doing on behalf of all Marylanders to set a correction course and model all of our actions through an equity lens.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Cory', with a stylized flourish at the end.

Cory V. McCray
45th District