

# HOUSE BILL 1583

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By: **Chair, Judiciary Committee (By Request – Departmental – Maryland Insurance Administration)**

Introduced and read first time: February 13, 2026

Assigned to: Judiciary

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## A BILL ENTITLED

1 AN ACT concerning

2 **Private Passenger Motor Vehicle Insurance – Fairness and Affordability Study**

3 FOR the purpose of requiring the Maryland Insurance Administration to establish a  
4 workgroup to study how the General Assembly could establish an equitable and  
5 sustainable low-cost auto program or economic relief credit program to reduce the  
6 cost of private passenger automobile insurance for low-income drivers in the State;  
7 and generally relating to a study regarding the cost of private passenger automobile  
8 insurance.

9 Preamble

10 WHEREAS, Each person who owns a vehicle registered in the State is required to  
11 purchase automobile insurance that meets statutorily defined minimum coverage limits for  
12 bodily injury, property damage, and uninsured motorist coverages; and

13 WHEREAS, The cost of private passenger automobile insurance is a major public  
14 concern because it is a mandatory expense affecting all drivers in the State; and

15 WHEREAS, A report on the findings of a comprehensive workgroup study of the  
16 affordability of private passenger automobile insurance in the State was submitted to the  
17 General Assembly on January 1, 2026, in accordance with Chapter 395 of the Acts of the  
18 General Assembly of 2025; and

19 WHEREAS, The report submitted in accordance with Chapter 395 of the Acts of the  
20 General Assembly of 2025 identified legislative interventions that may improve the  
21 affordability of private passenger automobile insurance in the State and warrant further  
22 examination; now, therefore,

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
24 That:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) The Maryland Insurance Administration shall establish a workgroup to study  
2 how the General Assembly could establish an equitable and sustainable low-cost auto  
3 program or economic relief credit program to reduce the cost of private passenger  
4 automobile insurance for low-income drivers in the State.

5 (b) The workgroup shall consist of the following members:

6 (1) one member of the Senate of Maryland who is a member of the Finance  
7 Committee, appointed by the President of the Senate;

8 (2) one member of the House of Delegates who is a member of the Judiciary  
9 Committee, appointed by the Speaker of the House;

10 (3) the Maryland Insurance Commissioner, or the Commissioner's  
11 designee;

12 (4) the Executive Director of the Maryland Automobile Insurance Fund, or  
13 the Executive Director's designee; and

14 (5) the following members, appointed by the chair of the workgroup:

15 (i) one representative of an automobile insurer or automobile  
16 insurer trade association;

17 (ii) one representative of a consumer advocacy group that is active  
18 in the area of automobile insurance; and

19 (iii) one representative of private passenger automobile insurance  
20 producers in the State.

21 (c) The Maryland Insurance Commissioner, or the Commissioner's designee,  
22 shall chair the workgroup.

23 (d) In conducting the study required under subsection (a) of this section, the  
24 workgroup shall consider:

25 (1) whether the program should be open to income-eligible residents with  
26 good driving records who are able to obtain coverage on the voluntary market or be limited  
27 to high-risk drivers insured through the Maryland Automobile Insurance Fund;

28 (2) whether and, if so, how coverage types and coverage limits for policies  
29 offered through a low-cost auto program should be constrained to control program costs;

30 (3) what the eligibility criteria should be to qualify for coverage through a  
31 low-cost auto program, such as having:

1 (i) individual or household income below a certain threshold;

2 (ii) a good driving record or being a new driver; and

3 (iii) a vehicle valued below a certain amount;

4 (4) whether a low-cost auto program should be completely  
5 self-funded via adequate rates and surcharges paid by its policyholders or a supplemental  
6 funding source should be designated;

7 (5) the appropriate entity to administer a low-cost auto program or  
8 economic relief credit program; and

9 (6) how an economic relief credit program should be funded.

10 (e) On or before January 1, 2027, the workgroup shall report its findings and  
11 recommendations to the Governor and, in accordance with § 2-1257 of the State  
12 Government Article, the General Assembly.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
14 1, 2026. It shall remain effective for a period of 1 year and, at the end of June 30, 2027, this  
15 Act, with no further action required by the General Assembly, shall be abrogated and of no  
16 further force and effect.