

**CITY OF BALTIMORE  
COUNCIL BILL 22-0144R  
(Resolution)**

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Introduced by: Councilmember Stokes  
Introduced and adopted: November 21, 2022

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**A COUNCIL RESOLUTION CONCERNING**

**Request for State Action – Prohibiting the Use of Address  
in Creating Car Insurance Premiums**

FOR the purpose of calling on the Maryland General Assembly to pass, and the Governor to sign, legislation prohibiting insurance companies from considering location as a factor impacting car insurance premiums.

**Recitals**

**WHEREAS**, In Maryland, insurance companies may consider a car insurance customer’s zip code or address when evaluating the risk of insuring the potential customer;

**WHEREAS**, Insurance companies generally consider customers who reside in urban areas as riskier to insure than individuals who reside in rural areas, and as a result Baltimore City residents are likely to have higher premiums than non-City residents;

**WHEREAS**, Over 60% of Baltimore City residents are Black, and car insurance companies are prohibited from using race as a factor in determining car insurance premiums;

**WHEREAS**, Analysis performed by ProPublica has found that residents of minority neighborhoods pay higher car insurance premiums than residents of white neighborhoods with the same risk, and the Consumer Federation of America, after reviewing quotes from the 5 largest insurers by zip code, found that major auto insurers charge good drivers who reside in minority neighborhoods 70% more than good drivers who reside in white neighborhoods;

**WHEREAS**, It is likely that the inclusion of location as a factor in formulating car insurance premiums is a form of redlining that harms minorities, who are already less likely to be able to afford car insurance premiums than whites;

**WHEREAS**, Some states have implicitly recognized the harm that the inclusion of location as a factor in formulating car insurance premiums causes;

**WHEREAS**, California prohibits insurance companies from considering zip code or address as a major factor when formulating car insurance premiums, and beginning this year, Michigan will only allow insurers to consider “territories” rather than addresses or zip codes; and

**WHEREAS**, Our State should take the next step and completely ban the use of location as a factor in formulating car insurance premiums as the inclusion of such information disproportionately harms State residents of color.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

**Council Bill 22-0144R**

1       **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the City  
2 Council calls on Maryland General Assembly to pass, and the Governor to sign, legislation  
3 prohibiting insurance companies from considering location as a factor impacting car insurance  
4 premiums.

5       **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Honorable  
6 Chairs and Members of the Baltimore City House and Senate Delegations to the Maryland  
7 General Assembly, the Mayor, and the Mayor’s Legislative Liaison to the City Council.