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Testimony of American Property Casualty Insurance Association (APCIA)

House Judiciary Committee

House Bill 1037- Civil Actions – Noneconomic Damages- Personal Injury or Wrongful Death

February 26, 2020

Letter of Opposition

The American Property Casualty Insurance Association (APCIA) represents more than 1200 insurers and reinsurers that provide critically important insurance protection throughout the U.S. and world. In combination, our members write 60% of the U.S. property casualty market. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the U.S. and across the globe. APCIA appreciates the opportunity to provide written comments in opposition to House Bill 1037.

House Bill 1037 would make changes to the current law in place that sets various limits on noneconomic damages in civil actions which depends on the type of action and when the action arose. Maryland has generous caps in place compared to other states. There are caps in place for medical malpractice and other personal injury and wrongful death cases with each containing an inflationary provision raising the cap by \$15,000 for any person annually. The current limits for malpractice are \$830,000 and for other personal injury \$ 890,000. There is an additional limit in place when more than one person. The current limits multiple claimants for malpractice as of 2020 is \$1,037,050 and for other personal injury and wrongful death at \$1,335,000. This bill would remove these caps if by a preponderance of evidence that the damages resulted from one or more willful, wanton, malicious, reckless, or grossly negligent act or omission. This is the standard for punitive damages and is completely inappropriate with respect to non-economic damages. There has not been any demonstration of need to change this standard and make a change to well established non-economic damages laws that have served the public so well for many years.

For these reasons, the APCIA urges the Committee to provide an unfavorable report on House Bill 1037.