



## House Bill 1

*Civil Actions - Child Sexual Abuse - Definition, Damages, and Statute of Limitations  
(The Child Victims Act of 2023)*

MACo Position: **LETTER OF  
INFORMATION**

To: Judiciary Committee

Date: March 2, 2023

From: Sarah Sample

The Maryland Association of Counties (MACo) takes no position on HB 1 but raises the following thoughts for the Committee's consideration on the potential county impacts of this bill. In brief, HB 1 attempts to address some of the grievous harms visited upon the victims of child sexual abuse. It expands the definition of "sexual abuse" and extends the statutes of limitations and repose for certain civil actions relating to child sexual abuse. If the bill becomes law, it will eliminate the statute of limitations on matters involving allegations of child sexual abuse.

Generally, if a local government is found to have been negligent in their supervisory capacity of an employee who perpetrated an offense outlined in the bill while operating outside the scope of their duties, there is potential for claims and coverage costs to increase. If the number of claims alleging sexual abuse by employees of local governments increases, the impact will be felt by all local governments – even those without a negative claim history – as the insurance premiums will likely increase. Given the uncertainty on the number of potential claims, the premium increases and risk to member equity cannot be reliably predicted at this time. Additionally, as premiums are assessed based upon actuarial studies, the increase in the statutory cap and the expansion of the limitations period could erode the accumulated surpluses maintained to satisfy existing claims and those future claims that can be reasonably anticipated.

Another element to consider is that HB 1 appears to eliminate the notice provisions of the Local Government Tort Claims Act for cases of child sexual abuse. Not requiring notice deprives a local government of the opportunity to conduct a timely investigation into any cases affected by this revision. Not having that opportunity complicates the defense of these matters, including the possibility of settlement. As an example, parks and recreation departments are frequently staffed with seasonal employees, high school and college aged individuals, and/or employees that don't remain employees for long periods of time. The ability to locate and interview potential witnesses further complicates the ability of local governments to investigate.

Counties believe measures should be taken to ensure that victims of child sexual abuse can seek the justice their circumstances deserve. The bill expands the opportunity for victims to do so and also increases the potential for counties to incur increased cost and liability. Counties are appreciative of the goal of this legislation and are more than willing to work with stakeholders to further the intent while maintaining effective governmental operations and budgetary obligations.