



**LEGISLATIVE POSITION:**

**Unfavorable**

**House Bill 922**

**State Government - Public Welfare Actions - Determinations and Settlements**

**House Judiciary Committee**

**Wednesday, February 21, 2024**

Dear Chairman Clippinger and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic growth and prosperity for Maryland businesses, employees, and families.

House Bill 922 seeks to introduce significant changes that pose grave concerns for Maryland's business community. It represents a substantial departure from current policies and poses significant risks for Maryland businesses, residents, and insurers.

HB 922 introduces enterprise liability, which could result in businesses being held collectively responsible for harm without individual causation being established. The enterprise liability approach undermines fundamental principles of tort law and could lead to unjust outcomes for businesses across various industries. Businesses ranging from gas stations to hospitality establishments could face litigation initiated by the Attorney General, even in cases where direct harm has not been demonstrated. This legislation enables juries to hold all businesses responsible for a harm, even if there's no evidence proving each business individually caused the harm. This could lead to situations where multiple businesses are sued collectively for damages related to a product or issue, regardless of their direct involvement or responsibility. For example, if a drywall turns out to have a noxious chemical in it, the drywall manufacturers, distributors, and installers could all be sued and share responsibility, even if it couldn't be proven that they were responsible for the particular drywall. **In essence, it broadens liability without requiring specific proof of causation for each business involved, potentially leading to unfair outcomes and increased legal risks for businesses. The liability concern is immense.**

HB 922 appears to curtail customary defenses for civil litigants, impairing their ability to contest claims and share responsibility proportionately. By eliminating contribution cross claims and potentially subrogation rights, the bill tilts the legal landscape in favor of plaintiffs, undermining fairness and due process for civil defendants.

Finally, Maryland continues to bear the burden of perception as a state unfriendly to businesses and economic development. HB 922 increases the liability and therefore the cost of engaging in business in Maryland.

Keeping the Governor's priority of enhancing Maryland's economic competitiveness, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **HB 922**.

