



**Senate Bill 538 -- *Civil Actions - Noneconomic Damages - Personal Injury and Wrongful Death*
House Judiciary Committee
March 27, 2024
Oppose**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes Senate Bill 538 -- *Civil Actions - Noneconomic Damages - Personal Injury or Wrongful Death*.

Senate Bill 538 increases the cap on noneconomic damages in civil actions for personal injury or wrongful death from \$500K to \$1.75M and alters the annual increase from \$15K to \$20K.

MCCC is concerned about Senate Bill 538 and its impact on Maryland's ability to keep the costs of doing business competitive. Limitations on noneconomic damages are generally considered friendly to a state's business climate. This holds especially true for small businesses, which are at greater risk in litigation involving noneconomic damages. Not only would small businesses and other impacted entities confront increased exposure and potential financial burden, but the perception of Maryland's business competitiveness would be harmed as well.

There are many ways to measure whether Maryland has a positive business climate, and that includes its legal and tort environment. When businesses are making decisions regarding location or expansion, they often consider the tort environment. For this reason, Maryland needs to ensure it competes favorably with surrounding and competitor states on tort climate, in addition to factors like taxation, regulations, educational system, and transportation network.

For these reasons, the Montgomery County Chamber of Commerce opposes Senate Bill 538 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

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