

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 364 (Delegates Shriver and Guns)

Environmental Matters

Natural Resources - Public Recreation on Private and Public Land

Under current law, private owners of land who allow others to use their land for recreational purposes incur no liability for personal injury or property damage arising out of the recreational use except when the landowner willfully or maliciously fails to warn of danger or charges for the use of the land. This bill extends the liability limitation to public landowners. In addition, bicycling and “any other recreational use” are added to the definition of “recreational purpose.” The bill also specifies that if a public agency charges a fee that is calculated to cover only the reasonable costs of making the land available to users, the liability limitation is not forfeited.

Fiscal Summary

State Effect: Potential significant expenditure decrease. No effect on revenues.

Local Effect: Potential significant expenditure decrease. No effect on revenues.

Small Business Effect: Potential minimal.

Fiscal Analysis

State Expenditures: Because this bill provides limited liability for owners of “public land,” the State’s obligation to compensate people who sustain physical injury or property loss on State lands under the Maryland Tort Claims Act could decrease significantly. The frequency with which the State’s liability would be limited is uncertain, in view of the fact that the definition of “recreational purpose” includes the catch-all “and any other recreational use.” The Governor’s proposed fiscal 1999 budget includes an allowance of \$8,400,000 for tort claims under the provisions of the Maryland Tort Claims Act.

Local Expenditures: Because this bill provides limited liability for owners of “public land,” local governments’ obligations to compensate people who sustain physical injury or property

loss on local government lands under the Local Government Tort Claims Act could decrease significantly. The frequency with which local governments' liability would be limited is uncertain, in view of the fact that the definition of "recreational purpose" includes the catch-all "and any other recreational use."

Small Business Effect: The liability of small businesses that own land would be limited in more situations due to the expansion of the definition of "recreational use" to include bicycling and "any other recreational use." By the same token, the amount of money required to be paid to claimants by small insurance companies that provide property owners' insurance would decrease. To the extent that landowners decide to lower their liability coverage as a result of this bill, insurance brokers could receive lower fees. In addition, small law firms that represent plaintiffs in personal injury cases could experience revenue decreases due to the expansion of the liability limitation.

Information Source(s): Department of Natural Resources, State Treasurer's Office,
Department of Legislative Services

Fiscal Note History: First Reader - February 11, 1998

ncs

Analysis by: Mike Sanelli

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710