

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

House Bill 183 (Delegate Vallario, *et al.*)
Judiciary

Judicial Proceedings

Courts - Parent-Child Immunity - Motor Vehicle Torts - Abrogation

This bill abrogates the common law doctrine of parent-child immunity as it applies to actions for wrongful death, personal injury, or property damage arising from the operation of a motor vehicle, up to mandatory minimum liability coverage levels. The abrogation only applies to an action between a parent and an unemancipated child.

The parent or child who caused the death would be barred from benefiting from the proceeds of a wrongful death action.

The bill applies to cases filed on or after the bill's October 1, 2001 effective date.

Fiscal Summary

State Effect: The bill is not expected to have a significant impact on governmental operations or finances.

Maryland Automobile Insurance Fund (MAIF): Potential annual expenditure increase of up to \$120,000.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The doctrine of parent-child immunity generally prohibits lawsuits between parents and their minor children for personal torts.

State/Local Fiscal Effect: As a result of the bill, parents and children would be able to recover damages from each other in motor vehicle tort cases. Insurers would be liable for payment in these cases, and could pass increased costs along to consumers in the form of premium increases. General fund revenues could then increase due to increased premium tax revenues. Any such increase is expected to be minimal.

The bill is not expected to have a significant effect on court caseloads.

MAIF: MAIF estimates that approximately six cases involving MAIF insureds would arise annually as a result of this bill. If each case were settled for \$20,000 (the maximum amount permitted under 98% of MAIF policyholders' contracts), the total additional payout would be \$120,000 a year.

Additional Information

Prior Introductions: A similar bill was introduced during the 2000 session as HB 697 and received an unfavorable report from the Judiciary Committee. A similar bill was also introduced during the 1999 session as HB 583, but was withdrawn.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Maryland Automobile Insurance Fund, Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader – February 6, 2001
jm/jr Revised - House Third Reader – March 21, 2001

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