

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 823
Judiciary

(Montgomery County Delegation)

Judicial Proceedings

Montgomery County Revenue Authority - Local Government Tort Claims Act
MC 917-09

This bill limits the liability of the Montgomery County Revenue Authority by expanding the definition of “local government” for purposes of the Local Government Tort Claims Act (LGTCA) to include the Montgomery County Revenue Authority.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Potential reduction in litigation expenditures for the Montgomery County Revenue Authority. Potential reduction in expenditures for the Montgomery County Revenue Authority if the LGTCA’s liability limits reduce the amount of damages paid to plaintiffs in future lawsuits.

Small Business Effect: Potential minimal. Law firms that represent small business plaintiffs and plaintiffs in tort actions against local governments may receive lower litigation fees and damage awards as a result of the bill.

Analysis

Current Law: The LGTCA defines local government to include counties, municipal corporations, Baltimore City, and various agencies and authorities of local governments such as community colleges, county public libraries, special taxing districts, nonprofit

community service corporations, sanitary districts, housing authorities, and commercial district management authorities.

LGTCGA limits the liability of a local government to \$200,000 per individual claim and \$500,000 per total claims that arise from the same occurrence for damages from tortious acts or omissions (including intentional and constitutional torts). It further provides that the local government is liable for tortious acts or omissions of its employees acting within the scope of employment. It thus prevents local governments from asserting a common law claim of governmental immunity from liability for such acts of its employees.

Background: The Montgomery County Revenue Authority was established in 1957 to construct, improve, equip, furnish, maintain, acquire, operate, and finance projects devoted wholly or partially for public use, good, or general welfare. The authority's primary two activities are to operate self-supporting facilities and to finance public facilities. The revenue authority is governed by a six-member board.

Additional Information

Prior Introductions: HB0830 LR0904 2008 JUD

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Montgomery County, Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2009
ncs/kdm

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