

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 977
Judiciary

(Washington County Delegation)

Washington County - Local Government Tort Claims Act - Inclusion of Specified
Nonprofit Entity

This bill limits the liability of the Washington County Community Action Council (WCCAC) by expanding the definition of “local government” for purposes of the Local Government Tort Claims Act (LGTCA) to include the council’s function as the nonprofit corporation serving as a local public transportation authority for Washington County pursuant to a contract or memorandum of understanding with Washington County.

The bill takes effect July 1, 2010.

Fiscal Summary

State Effect: None.

Local Effect: Potential reduction in litigation expenditures for WCCAC. Potential reduction in expenditures for WCCAC 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.

LGTCAs limit 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: Created in 1965, WCCAC provides a multitude of support services to residents of Washington County, including crisis intervention, energy programs, and housing counseling programs. According to WCCAC's mission statement, it aims to provide "... encouragement, guidance and assistance to the people of our community in the mobilization of resources to combat poverty. [WCCAC's] goal is to increase the capacities of individuals and groups to deal with their own problems without the need of further assistance."

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Washington County, Washington County Community Action Council, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2010
mam/kdm

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