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SB 550 (Constitutional Amendment – Civil Jury Trials)

State Farm Insurance requests an unfavorable report on SB 550 because:

1. Maryland already has the second highest jury trial threshold in the Country at \$15,000 (as do Minnesota and North Dakota). **Forty two states have thresholds of \$5,000 or less.** California, Nevada and DC are lower at \$10,000. Only Louisiana, at \$50,000, is higher.
2. Maryland's jury trial threshold has already increased 30 fold since 1990, rising from \$500 to \$5,000 in 1990, to \$10,000 in 2006, to its present \$15,000 in 2010. By contrast, medical bill inflation since 1990 is approximately three fold.
3. Ironically, the only proponents of this further limitation of the right to a jury trial are trial attorneys from the Maryland Association of Justice. In their literature, they maintain: "We support the constitutional right to a trial by jury" Apparently, they support it only at the election of Plaintiffs who alone can determine an ad damnum that triggers a right to jury trial.
4. That ad damnum routinely went from \$10,000 per case in 2010 to \$15,000. The limitation in the amount being plead is solely to prevent Defendants from asking for a jury trial. If these bills become law, there will be no reason at all for a Plaintiff to ever ask for less than \$30,000 from a District Court Judge. Every case limited to a trial by judge will carry potential for higher awards.
5. Arguments that a Defendant's exercise of the right to a trial by jury results in added delay or expense are exaggerated and unfounded. Most cases transferred from District Court to Circuit Court by a Defendant's demand for jury trial settle without going to trial, aided by the opportunity to conduct a deposition and having a pre-trial settlement conference (limited discovery in District Court (no depositions) leads to fewer cases being settled prior to District Court trials). Those cases that do go to jury trial after removal from District Court are usually tried within eight months of original filing and are tried in a day and without added expert expense.
6. The real motivation for this bill is that District Court Judges' awards in cases of small or questionable value are routinely significantly higher than amounts awarded by juries in comparable cases.

Very truly yours,



H. Barritt Peterson, Jr.