

**SB 669\_SB 670 MSBA\_ Civil Jury Trials - Amt in Co**

Uploaded by: Montgomery, Richard

Position: FAV

**To:** Members of the Senate Judicial Proceedings Committee

**From:** Richard A. Montgomery III  
MSBA Director of Legislative & Governmental Relations

**Date:** February 24, 2021

**Subject:** **Senate Bill 669 - Constitutional Amendment - Civil Jury Trials**  
**Senate Bill 670- Courts - Civil Jury Trials - Amount in Controversy**

**Position:** **Support**

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The **Maryland State Bar Association (MSBA) SUPPORTS Senate Bill 669 and Senate Bill 670, relating to Civil Jury Trials – Amount in Controversy.** Senate Bill 669 would propose a constitutional amendment increases, from more than \$15,000 to more than \$30,000, the amount in controversy in civil proceedings in which the right to trial by jury would accrue and would put that proposition before the voters of Maryland. Senate Bill 670 would provide the statutory changes necessary to implement the provisions of the constitutional amendments, should it be approved at referendum.

The MSBA believes that the passage of SB 669 and SB 670 would allow the opportunity for more cases to be adjudicated in District Court, which currently has exclusive original jurisdiction in civil cases in which an amount in controversy is up to \$5,000, and concurrent jurisdiction with the Circuit Court in matters with an amount in controversy greater than \$5,000 and up to \$30,000, exclusive of prejudgment interest and cost.

The MSBA has found that civil claims with lower amounts in controversy cannot be litigated economically in the circuit courts. Generally, when those claims require testimony by medical experts, the high costs of those expert witnesses, as well as the expansive discovery in the circuit court combine make such cases unduly expensive to pursue. The result is that often plaintiffs with smaller claims face unfairly high barriers to justice. Given the ever-increasing costs associated with asserting medical claims, we believe the time has come to adjust the amount in controversy thresholds.

Accordingly, the **MSBA Supports Senate Bill 669 and Senate Bill 670, and urge a Favorable Committee Report on both bills.**

# **Maryland SB 669 670 APCIA Oppose Civil Jury Trials**

Uploaded by: Egan, Nancy

Position: UNF

Testimony of  
American Property Casualty Insurance Association (APCIA)  
Senate Judicial Proceedings Committee  
SB 670 Courts - Civil Jury Trials - Amount in Controversy  
SB 669 Constitutional Amendment - Civil Jury Trials - Amount in Controversy  
February 24, 2021

Letter of Opposition

The American Property Casualty Insurance Association (APCIA) is a national trade organization representing nearly 60 percent of the U.S. property casualty insurance market. APCIA appreciates the opportunity to provide comments in opposition to Senate Bill 670 and its companion Senate Bill 669. SB 670 amends the provision in the Courts and Judicial Proceedings Article to raise the limit for requesting a jury trial for a civil case from its current limit of \$15,000 to \$30,000. SB 669 sets in process the constitutional amendment to be approved by voters, as required by the Maryland Declaration of Rights.

In 2010, the jury trial threshold was raised substantially to \$15,000. There is no need to further increase it to \$30,000. Currently, Maryland's threshold is among the highest in the nation and a vast majority of states have no similar threshold for a jury trial "prayer." One state, Louisiana, as part of its tort reform to lower the cost of auto insurance in the state, lowered its jury threshold from \$50,000 to \$10,000. While many Maryland defendants may not choose to seek a jury trial for amounts in controversy between \$15,000 and \$30,000, the State's doubling of the \$15,000 threshold would curtail the current right of these citizens (often small businesses) to secure a jury trial and to conduct necessary and appropriate discovery in defense of their rights.

Maryland currently strikes an appropriate balance between plaintiff and defendant interests. A plaintiff may elect to have a case tried in District Court for matters up to \$30,000 but for matters in excess of \$15,000, the defendant can request a jury trial in Circuit Court. These bills would fundamentally alter that balance between litigants by placing the jury trial demand completely in the hands of plaintiffs for amounts in controversy of up to \$30,000. They would increase the number of suits brought in District Court where there is limited discovery and no ability to file a motion for summary judgment. This stacks the deck against defendants' ability to defend themselves. Plaintiffs already possess the information, witnesses or documents they need to prove their case and have not need for the circuit court's discovery measures.

Inflation is no justification for this increase, as \$15,000 in 2010 dollars would be worth \$18,107 in 2021 dollars, according to the Bureau of Labor Statistics. <http://data.bls.gov/cgi-bin/cpicalc.pl>. Instead, the legislation itself will likely inflate legal costs. They incentivize the filing of cases for ever higher amounts without concern by plaintiffs about thorough discovery or a jury trial. Plaintiffs could file cases for up to \$30,000 with just the barest of facts in the complaint and the possibility of filing a limited number of interrogatory responses.

There is a role for the District Courts in administering justice flexibly for smaller claims, but not at the expense of the rights of litigants, particularly when significant sums are at stake.

The APCIA urges the Committee to provide an unfavorable report on Senate Bill 670 and 669.

Respectfully submitted,

Nancy J. Egan, State Government Relations Counsel, DE, MD, VA, WV

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# **State Farm Opp Test Jury Trial (Senate).pdf**

Uploaded by: Harting, Marta

Position: UNF

**TESTIMONY OF STATE FARM INSURANCE COMPANIES**  
**IN OPPOSITION TO SENATE BILLS 679 AND 670**  
**(CONSTITUTIONAL AMENDMENT – CIVIL JURY TRIALS**  
**COURTS-CIVIL JURY TRIALS – AMOUNT IN CONTROVERSY)**

SB679/670 would double Maryland's current jury trial threshold, depriving civil defendants of the right to a jury trial in all cases where the amount in controversy is less than \$30,000. The bill would impact all civil defendants, not just those where the defendant has insurance to pay the judgment, including consumers facing debt collection and small businesses sued over contract disputes.

Until last year, Maryland's current threshold of \$15,000 was the second highest in the United States, second only to Louisiana's \$50,000 threshold. In 2020, however, Louisiana lowered its threshold from \$50,000 to \$10,000. Accordingly, Maryland's current threshold is the highest in the country, and if this bill passes, Maryland would become a distant outlier amongst the states in how far it has gone to restrict a defendant's constitutional right to a jury trial. Most states have no monetary threshold whatsoever for seeking a jury trial.

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 (\$5,000 in 1990 equates to approximately \$16,000 in 2021), so medical cost inflation does not justify any increase in the threshold.

This is a one-sided deprivation – a plaintiff may elect a jury trial simply by filing the complaint in circuit court seeking damages of \$30,001 or more, but can deprive the defendant of a jury trial simply by filing the complaint in district court for \$30,000.

Defendants are at a disadvantage in district court in defending the case. Depositions are rarely allowed because plaintiff's consent is required. Discovery of plaintiff's medical history is more restricted. Records can be introduced without the treating physician's testimony, so there is no opportunity cross examine a key witness. There is no opportunity to meaningfully inquire about prior injuries and treatment.

For these reasons, State Farm requests an unfavorable report on SB 669 and 670.

**SB 670\_MAMIC\_UNF.pdf**

Uploaded by: Popham, Bryson

Position: UNF





191 Main Street, Suite 310 – Annapolis MD 21401 – 410-268-6871

February 22, 2021

The Honorable William C. Smith, Jr, Chairman  
Judicial Proceedings  
2 East Miller Senate Office Building  
Annapolis, MD 21401

RE: SB 670 – Courts – Civil Jury Trials – Amount in Controversy - Opposed

Dear Chairman Smith, Senator Waldstreicher and Members of the Committee,

On behalf of the Maryland Association of Mutual Insurance Companies (MAMIC), I respectfully request an unfavorable report on Senate SB 670 - Courts – Civil Jury Trials – Amount in Controversy.

By way of background, MAMIC is comprised of eleven mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of our members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens. As mutual insurers, MAMIC members are owned entirely by our policyholders, and any profits earned are either retained by the company or returned to policyholders in the form of dividends. By contrast, stock insurers are owned by shareholders. Profits generated by a stock insurer are distributed to investors who may or may not have a policy of insurance with the company.

This bill increases from \$15,000 to \$30,000 the limit under which a party to a civil action may not demand a jury trial in Maryland courts. The current statutory limit of \$15,000 has been in place for a number of years, and affords litigants a fair, reasonable, and predictable framework for the orderly conduct of litigation. There is no public policy reason supporting a change at this time.

From a practical standpoint, increasing the limit as prescribed has the potential to harm insurers and their ability to successfully and adequately defend and indemnify their policyholders/insureds in lawsuits filed against them. Specifically, it drastically limits the ability to obtain additional discovery. Under the existing rules of civil procedure, discovery is limited to only 15 interrogatories for District Court matters. On the other hand, Circuit Court matters (for jury trials) permit far more expansive discovery. The additional information gleaned through discovery permits insurers the opportunity to fully defend and indemnify their policyholders and can potentially lead to favorable settlements or outcomes at trial for all parties involved. To that end, the mitigation of damages during litigation prevents the increase of insurance rates and allows for better competition in the marketplace for consumers. SB 670 is potentially harmful for these reasons.

Thank you for your consideration of our views on this legislation, and we again request that this bill be given an unfavorable report.

Sincerely,

Robert F. Glass, CPCU, ARM, MBA  
President