

SB0032 - MTA - Limitation of Liability - SUPP_FINA

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January 14, 2021

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

Re: Letter of Support – Senate Bill 32 – Maryland Transit Administration – Limitation of Liability

Dear Chairman Smith and Committee Members:

The Maryland Department of Transportation Maryland Transit Administration (MDOT MTA) supports Senate Bill 32 as it would align MDOT MTA with tort liability limits that are more consistent with those afforded under the law to all other State, local, and municipal agencies.

Senate Bill 32 caps MDOT MTA’s currently unlimited tort liability exposure, while setting a limit significantly higher than that provided to all other State agencies under the Maryland Tort Claims Act. The Maryland Tort Claims Act and the Local Government Tort Claims Act, which governs economic liability exposure for all other State agencies and local and municipal governments, sets a limit on all damages to \$400,000, including those that might otherwise be awarded for non-economic (pain and suffering) damages for injuries. As proposed in Senate Bill 32, the limit of \$800,000 per claimant, per occurrence, is in recognition of the fundamental fact that MDOT MTA, unlike any other State agency, operates modes of transportation that can pose a risk of severe personal injuries.

Without any liability limits, MDOT MTA is subject not only to unlimited medical and economic damages, but also other non-economic damages which other State agencies do not have to contemplate. As a result, MDOT MTA must self-insure for up to \$10 million per bus accident occurrence and \$5 million per other types of tort occurrences. A cap of \$800,000 to a single claimant, as proposed in Senate Bill 32, would still allow the recovery of damages significantly higher than the Maryland Tort Claims Act, and would protect MDOT MTA, and public funds, from runaway verdicts in the millions of dollars.

The Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 32 a favorable report.

Respectfully submitted,

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