



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

February 22, 2021

The Honorable Luke Clippinger, Chairman  
House Judiciary Committee  
Room 101 House Office Building  
Annapolis, Maryland 21401

RE: House Bill 902 - Constitutional Amendment - Civil Jury Trials - Opposed

Dear Chairman Clippinger, Delegate Bartlett and Members of the Committee,

On behalf of the Maryland Association of Mutual Insurance Companies (MAMIC), I respectfully request an unfavorable report on House Bill 902 – Constitutional Amendment – Civil Jury Trials.

By way of background, MAMIC is comprised of 12 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.

House Bill 902 is a companion piece of legislation to House Bill 899. The passage of House Bill 899 would require an amendment to the Maryland Constitution, as provided in House Bill 902.

Both bills are virtually identical to legislation introduced, but not enacted, in 2020. Our opposition to House Bill 902 is essentially the same as our opposition to House Bill 899: The enactment of this legislation would deprive many defendants in civil actions of the ability to remove an action from the District Court to the Circuit Court, where appropriate rules of discovery would be available. A balance was achieved in Maryland in 2010, when the current limit for a matter in controversy before the District Court was established. This statute struck an important balance between plaintiffs and defendants. As to the choice of forum for an action to be brought, there has been no evidence of any need to change this balance.

We should also note that, in the majority of states, no threshold of any kind exists. Among those states that have thresholds, Maryland is an outlier, with one of the highest thresholds in the Nation. Increasing the threshold now – doubling it – would only upset this balance without a demonstrated need. Instead, many defendants would be disadvantaged by an inability to gather the facts necessary to produce a fair resolution of the controversy surrounding the lawsuit. MAMIC member companies routinely rely on discovery in litigation matters to help evaluate claims and accurately determine settlement demands. As companies that are owned by their policyholders, they have a responsibility to do so.

Accordingly, MAMIC respectfully requests an unfavorable report on House Bill 902.

Sincerely,

Robert F. Glass, CPCU, ARM, MBA  
President