



House Bill 1106

Committee: Judiciary
Date: March 3, 2021
Position: Favorable

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

Under House Bill 1106, an owner, a lessee, or a tenant of a premises is not civilly liable for any act or omission resulting in injury or death relating to exposure or alleged exposure to COVID-19 on the premises if the owner, lessee, or tenant, or an agent of the owner, lessee, or tenant, acted in good faith to follow and enforce on the premises all federal, state, and local health guidelines applicable at the time of the exposure or alleged exposure. It is important to note that House Bill 1106 preserves liability for certain types of extreme or intentional conduct, most commonly for willfulness, recklessness and gross negligence.

Various states, including North Carolina, Oklahoma, Utah, Wyoming, Louisiana and Kansas, have adopted state legislation providing businesses with some type of limited civil liability immunity if customers and employees contract COVID-19 at their premises. In some of these states, the laws cover acts or omissions arising after the date of the emergency order, while in other states, the laws are effective from and after the date of adoption.

During this pandemic, MMHA members have diligently followed guidance from multiple authorities – including the Centers for Disease Control, State and local orders. In addition to the catastrophic public health consequences that the COVID-19 virus has caused, the impact on the operation of businesses has also been devastating. MMHA members are struggling with a loss of revenue upwards of 30% and at the same time, potentially face coronavirus-related liability from a number of different sources, including residents, employees and visitors.

MMHA members have significant concerns over lawsuits for negligence alleging that the actions or inactions of a business caused an employee or resident (or, secondarily, a family member) to become infected with the virus. Employee claims against businesses alleging workplace-acquired COVID-19 infection would be expected to trigger workers' compensation benefits in many cases. But claims by both employees and residents alleging a failure by the housing provider to provide a virus-free working or residential environment outside the confines of workers' compensation laws are likely.

Residential housing providers take aggressive steps to limit COVID-19 exposure. However, the situation is aggravated by the fact that commercial general liability policies and commercial property policies may not offer coverage for COVID-19-related claims, a determination dependent on the specific policy language used.



Passage of House Bill 1106 protects businesses from a potential deluge of frivolous lawsuits which would be prohibitively costly for our members to defend at this juncture.

For these reasons, we respectfully request a favorable report on House Bill 1106.

Grason Wiggins, MMHA Senior Manager of Government Affairs, 912.687.5745