



NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – www.NFIB.com/Maryland

TO: House Judiciary Committee

FROM: NFIB – Maryland

DATE: February 3, 2021

RE: **SUPPORT HOUSE BILL 210** – COVID-19 Claim – Civil Immunity

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland's small businesses, NFIB supports House Bill 508 – legislation that provides businesses, educational institutions, non-profits, and health care facilities that act in compliance with federal, state, and local statutes, rules, regulations, executive and agency orders related to COVID-19 shall be immune from civil liability for a COVID-19 claim unless there is gross negligence or intentional wrongdoing by the defendant.

Civil liability from COVID-19 exposure is a real threat to nearly every person, business, and non-profit in Maryland. Left unaddressed, civil liability from COVID-19 exposure poses a serious hurdle to our state's economic recovery. Without the passage of HB508, Maryland small business owners face unfounded threats of legal action that could wind up costing thousands of dollars at a time when they need every financial resource available to keep their doors open and workers employed. In fact, legal experts estimate businesses will spend approximately \$20,000 to \$50,000 in just legal fees defending themselves from a lawsuit.

Small businesses cannot afford these additional costs. Many would be forced to close their doors forever and file for bankruptcy. All of this arising from a pandemic they had no control over and like everyone else were doing their best to keep their employees, customers, and clients safe.

There are two facts of this legislation that even opponents must acknowledge. First, the bill preserves the right of anyone to file a cause of action against an entity that person feels is responsible for exposing the plaintiff to COVID-19. This is not a blanket immunity bill. Second,

HB508

the protections provided in this bill expire 180 days after the expiration or rescission of the Governor's proclamation of March 5, 2020, "Declaration of State of Emergency and Existence of Catastrophic Health Emergency – COVID-19." House Bill 508 will not apply to any future emergency.

House Bill 508 still holds "bad actors" accountable. Establishments that willfully disobey health guidelines will still be subject to legal action if an employee or customer was exposed to COVID-19. The protection in this legislation is for the small business that is doing everything they are told will keep themselves, their business, their employees, and customers safe.

Small business owners are worried about this issue. Nearly 70% expressed concern about liability claims increasing as a result of the pandemic, with 38% saying they are "very concerned."¹

For these reasons, **NFIB supports HB508** and requests a favorable report.

¹ Source: NFIB Research Center - <https://www.nfib.com/content/press-release/coronavirus/nfib-issues-liability-protection-principles-for-americas-small-businesses/>