

Testimony of  
American Property Casualty Insurance Association (APCIA)  
House Judiciary Committee  
HB 899 Courts - Civil Jury Trials - Amount in Controversy  
HB 902 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 House Bill 899 and its companion House Bill 902. HB 899 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. HB 902 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 House Bills 899 and 902.

Respectfully submitted,

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