



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

Favorable

House Bill 1084

Catastrophic Health Emergencies – Immunity from Civil Liability

House Judiciary Committee

Wednesday, March 3, 2021

Dear Chairman Clippinger and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

Businesses of all types and sizes, educational institutions and nonprofit organizations are working hard to protect employees, customers, students, and everyday Marylanders from exposure to COVID-19 in an environment often filled with incomplete and inconsistent information. The growing risk of opportunistic lawsuits against these organizations poses a significant barrier in our ability to reignite Maryland's economy.

As the private sector contributes to COVID-19 response, it faces liability challenges. As a result, businesses require protection from frivolous lawsuits so they can get Maryland back on the path to economic recovery. Without it, they 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 Marylanders employed.

In the absence of federal action, state governments must act to shield business owners from lawsuits unless plaintiffs can prove a business willfully failed to develop and implement a plan to reduce the risk of COVID-19.

Employers following proper government and health department guidance should not be sued out of business. Employers need assurance that when they do the right thing, and follow the advice of public health experts, they will not face more financial hardships from unwarranted lawsuits.

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Relief should be temporary and targeted. Gross negligence and bad actors should be held accountable. The Chamber and its members are simply asking for temporary 'safe harbor' protections, not blanket immunity.

As of December 11, 2020, 20 states and the District of Columbia have passed some type of COVID-19 liability protections from tort claims. (AK, GA, ID, IA, KS, KY, LA, MI, MS, NH, NV, NC, OH, OK, PA, SC, TN, UT, VA, WY). One state has enacted COVID liability protections for businesses through EO (Alabama). Minnesota currently has legislation pending for COVID liability protections for businesses and healthcare facilities. This means roughly half (22) of the states have acted or are planning to take action to grant liability protections to businesses from COVID related claims.

House Bill 1084 provides that businesses and educational institutions that act in compliance with all federal, state, and local statutes, rules and regulations, executive and agency orders related to COVID-19 shall be held immune from civil liability for a COVID-19 claim unless gross negligence or intentional wrongdoing can be proven. If passed, the temporary protections would apply to claims that began dating back to March 5, 2020.

As business owners in Maryland continue through the process of reopening and economic recovery, it is imperative that the legislature establishes protections from the threat of lawsuits that exploit the already damaging effects of COVID-19.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report** on **House Bill 1084**.

