TESTIMONY PRESENTED TO THE HOUSE JUDICIARY COMMITTEE

HOUSE BILL 508 – COVID-19 Claim - Civil Immunity Sponsor: Delegate Attar

February 3, 2021

DONALD C. FRY PRESIDENT & CEO GREATER BALTIMORE COMMITTEE

Position: Support

The Greater Baltimore Committee (GBC) supports House Bill 508, which provides civil immunity from liability from a COVID-19 claim to a person who acts in compliance with certain statutes, rules, regulations, executive orders, and agency orders, unless the person acted with gross negligence or intentional wrongdoing.

The coronavirus outbreak is a novel and unprecedented event. The sudden emergence of the pandemic coupled with a growing evolution of medical knowledge surrounding the coronavirus' transmutability and safety measures has created an environment where the definitions of "safe practices" can rapidly change.

House Bill 508 provides immunity from civil liability for a COVID-19 cause of action subject to certain limitations. The proposal does not apply to administrative proceedings or civil actions brought by state or local government to enforce state statutes and regulations, executive orders, or state agency orders applicable to COVID-19.

Without question, every individual should have the right to pursue a legitimate claim for personal injuries caused by the negligence of another person or entity. However, in this time of unpredictability and uncertainty, a reasonable standard of culpability is needed that is consistent with the unique nature of the current pandemic.

The provisions contained in SB 210 provide liability protection to persons, business entities, and other legal entities if they had complied with all federal, state, and local COVID-related regulations and ordinances at the time of the conduct or risk that allegedly caused the harm. The proposed legislation <u>does not</u> serve as a liability shield protecting those who have acted with gross negligence or with intentional wrongdoing.

The Greater Baltimore Committee's report entitled <u>Gaining a Competitive Edge: Keys to Economic Growth</u> <u>and Job Creation in Maryland</u> identified competitive costs of doing business as one of the core pillars of a competitive business environment. Subjecting a business to the risk of compensatory damages or incurring the costs of defending itself against claims despite having fully complied with federal, state and local regulations and ordinances does not advance a competitive business climate.

A healthy business environment demands policies that do not impose unreasonable and unnecessary costs of doing business. Exposing Maryland businesses to pecuniary damages despite full compliance with all laws that have been enacted or regulations and ordinances promulgated is an unnecessary and unwarranted burden.

The GBC's 2021 Legislative Priorities calls on the Maryland General Assembly to adopt policies that accelerate economic recovery to ensure businesses can weather the pandemic and are positioned to recover once it has been contained.

House Bill 508 is consistent with that priority and provides needed protection for businesses, including small and minority businesses, to survive a global pandemic that has threatened their economic stability.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 508.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.