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Testimony of American Property Casualty Insurance Association (APCIA)

House Judiciary Committee

House Bill 154 Civil Actions - Tortious Injury to or Death of Pet - Compensatory Damages (Buddy's Law)

January 15, 2021

Letter of Opposition

The American Property Casualty Insurance Association (APCIA) represents more than 1200 insurers and reinsurers that provide critically important insurance protection throughout the U.S. and world. In combination, our members write 60% of the U.S. property casualty market. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the U.S. and across the globe. In Maryland, our members write 66.6% of all written premium. APCIA appreciates the opportunity to provide written comments in opposition to House Bill 154.

The bill increases, from \$10,000 to \$25,000, the maximum amount of compensatory damages that may be awarded to an owner of a pet from a person who tortiously causes an injury to or death of the pet. Current law limits the “compensatory damages” recoverable to (1) the reasonable and necessary cost of veterinary care for a pet that was injured, and (2) in a case involving the death of a pet, the fair market value of the pet before death and the reasonable and necessary cost of veterinary care. This approach is consistent with the historical limitation on recovery for the death of a companion animal to a loss of property claim with damages calculated by the fair market value of the animal. When this law was first enacted, the amount recoverable was limited to \$2,500. This law was just revised in 2017, raising that limit from \$7,500 to \$10,000. Now, a mere 4 years later, this bill would raise this amount by an additional 250%. As a result, the proposed increase seems more like an attempt to permit recovery for concepts such as emotional distress or punitive damages, which are not contemplated under the statute and should not be available in this context, in line with the overwhelming majority of states. There is no evidence that any further increase is warranted at this time, either due to inflation or some other demonstrable increase in the cost of veterinary care or the fair market value of pets.

For these reasons, the APCIA urges the Committee to provide an unfavorable report on House Bill 154.