



191 Main Street, Suite 310 – Annapolis MD 21401 – 410-268-6871

February 27, 2023

The Honorable Luke Clippinger, Chairman
House Judiciary Committee
Room 101
House Office Building
Annapolis, Maryland 21401

RE: HB 862 – Civil Actions - Noneconomic Damages - Personal Injury or Wrongful Death
UNFAVORABLE

Dear Chairman Clippinger and Members of the Committee,

On behalf of the Maryland Association of Mutual Insurance Companies (MAMIC), I write in opposition to House Bill 862 - Civil Actions - Noneconomic Damages - Personal Injury or Wrongful Death.

As you may know, MAMIC is comprised of eleven mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of our members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

House Bill 862 completely upends the system of determining noneconomic damages under Maryland's tort liability law that has been in place for many years. MAMIC is aware of no evidence that would support such a radical change.

The cost of liability insurance provided by MAMIC members to Maryland citizens is the product of this statutory formula. It represents a fair balance between the interests of plaintiffs seeking relief and defendants who are responsible for any judgements. House Bill 862 sweeps away this statutory formula, which has been established and modified several times over many years, by repealing Section 11-108 of the Courts and Judicial Proceedings Article. In so doing, it would return the State to a system of determining damages for noneconomic loss in tort cases to a condition that is not a system at all.

To be effective, any tort liability system must utilize principles of fairness in an organized fashion. While the current law contains limitations that, inevitably, some may view as unfair, past General Assemblies have worked hard to achieve a compromise on both the maximum amounts of noneconomic damages and the method by which they may be adjusted. Together, these factors comprise the statutory formula which is the current law in Maryland. This formula represents the best effort of our legislators to achieve the fairness referenced above for all parties. A majority of legislators past and present have supported the formula, on behalf of the majority of Maryland citizens. In short, the formula works and it should not be abandoned.

We respectfully request an unfavorable report on HB 862.

Sincerely,

President, MAMIC

cc: The Honorable Natalie Ziegler
Bryson F. Popham