

February 18, 2025

The Honorable William C. Smith, Jr.
Chair, Senate Judicial Proceedings Committee
2 East Miller Senate Office Building
Annapolis, MD 21401

***Re: Letter of Support – Senate Bill 743 – Civil Actions - Maryland Transit Administration -
Limitation of Tort Liability***

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation supports Senate Bill 743 as it establishes a fair and reasonable liability cap of \$400,000 per claimant for injuries arising from a single incident, aligning the Maryland Transit Administration (MTA) with other State agencies and ensuring financial stability while maintaining accountability.

As a vital public transportation provider, MTA faces unique liability challenges due to its exclusion from the Maryland Tort Claims Act. Without a cap, the administration is exposed to unlimited liability, which places significant strain on resources that could otherwise be dedicated to enhancing transit services for Marylanders. High litigation costs, extensive legal processes, and unpredictable financial burdens can divert essential funding away from safety improvements, service enhancements, and infrastructure investments. Implementing a liability limit would allow MTA to better allocate its resources toward its core mission—providing safe, efficient, and reliable transit options to the public.

Currently, MTA self-insures for incidents on its core modes – \$5 million for incidents on Light Rail or Metro Subway, and \$10 million for Bus incidents. In Fiscal Year 2025, this accounts for over \$14 million of MTA’s budget. MTA must also require higher levels of insurance for its contractors, which results in higher capital and operating costs to the agency. It is important to note that this legislation does not affect MTA’s obligations under federal law regarding MARC train operations, which will continue to meet the required insurance coverage levels. SB 743 represents a responsible and balanced approach to liability management that protects both the agency and the communities it serves.

By passing SB 743, the General Assembly can support MTA in delivering high-quality transit services while ensuring financial sustainability. This legislation is a crucial step toward strengthening Maryland’s transportation network and safeguarding resources for future transit improvements.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 743 a favorable report.

Respectfully Submitted,

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