



NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – www.NFIB.com/Maryland

TO: Senate Judicial Proceedings Committee

FROM: NFIB – Maryland

DATE: February 11, 2025

RE: **FAVORABLE WITH AMENDMNT – SENATE BILL 642** – Courts – Prohibited Liability Agreements

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland's small businesses, NFIB supports Senate Bill 642 with an amendment that exempt recreational facilities with fewer than 50 employees from the contract provisions contained in 5-401.2 in the Courts and Judicial Proceedings article.

As the committee is aware, the General Assembly passed SB452 last session. It declared null and void any contract or agreement containing liability protection in case of bodily harm at recreational facilities.

This has put small businesses in a tough situation. Waivers and releases are frequently utilized by businesses to minimize their liability risks and may even be a requirement from insurers to obtain coverage. When signed by an informed and capable adult who understands the terms, these waivers play a crucial role in the operation of many small businesses.

We are seeing higher insurance premiums for businesses, making it harder for them to protect themselves while still offering the entertainment that residents and tourists expect.

For these reasons, **NFIB requests a favorable committee report with the amendment exempting businesses with fewer than 50 employees.**