

**Testimony of**  
**American Property Casualty Insurance Association (APCIA)**  
**House Judiciary Committee**

**House Bill 438 -Civil Actions – Tortious Injury to or Death of Pet - Compensatory Damages**

**February 5, 2025**

**Support with Amendments**

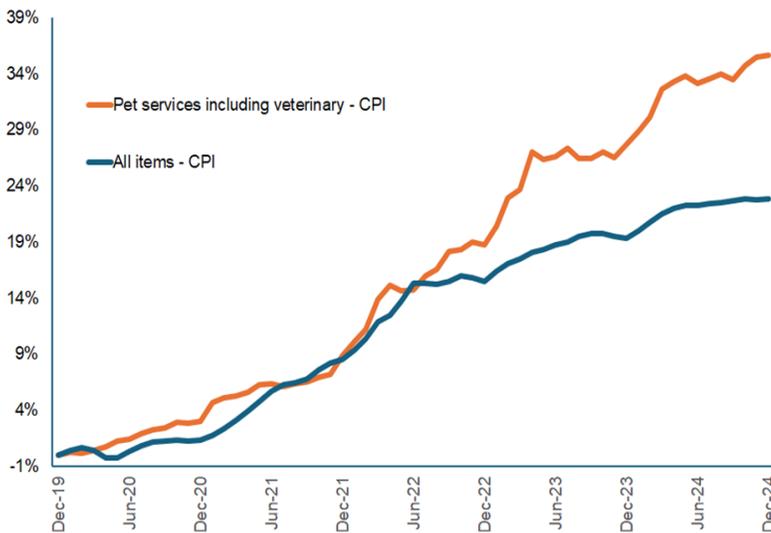
The American Property Casualty Insurance Association (APCIA) is the primary national trade organization representing nearly 68 percent of the Maryland property casualty insurance market. APCIA appreciates the opportunity to provide written testimony in opposition to House Bill 438.

The bill raises the current cap of \$10,000 to \$25,000 for 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. 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, 8 years later, this bill would raise the cap to \$25,000.

The Insurance industry must caution that the unintended consequences of enacting such legislation, which introduces increased exposure from costly litigation and unlimited settlements, could include higher insurance costs or potentially less availability of coverage for Maryland consumers and businesses.

According to the Bureau of Labor Statistics, over the last five years, **inflation for pet services including veterinary has increased 35.7 percent.**

**Cumulative Price Changes**



Source: Bureau of Labor Statistics.

If the same inflation rate was applied to the existing compensatory damages cap, this would translate to an increase of \$3,370, or a new cap of \$13,370.

Thus, at this time, APCIA believes a reasonable compensatory damages cap should not exceed \$15,000. As such, **APCIA opposes raising the limit to \$25,000 compensatory damages** and instead encourages the bill sponsor to consider a reasonable adjustment to account for inflation at \$15,000.

APCIA respectfully requests this amendment on House Bill 438.

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