

February 13, 2025

HB 456

Civil Actions - Child Nonsexual Abuse and Neglect - Damages and Statute of Limitations

House Judiciary Committee

Position: UNFAVORABLE

The Maryland Catholic Conference (MCC) offers this testimony in opposition of **House Bill 456** with amendments. The MCC represents the public policy interests of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Across the state, Catholic parishes, schools, hospitals, and charitable organizations form Maryland's second-largest social service provider network, surpassed only by the state government.

House Bill 456, seeks to establish a statute of limitations for civil actions related to child nonsexual abuse and neglect, impose limitations on damages, and apply retroactively to previously barred actions. HB 456 is overly broad in scope, has undoubted significant fiscal implications for public and private institutions, along with potential legal conflicts which make it problematic.

Before considering this legislation, it is crucial to recognize that a similar bill passed in 2023 regarding the elimination of the statute of limitations for civil claims in cases of child sexual abuse and has resulted in financially devastating claims, including against the State of Maryland, that are likely to prove financially crippling and result in the raising of taxes to pay the projected settlements in just the cases filed thus far.

The financial and operational ramifications of **HB 456** cannot be ignored. Allowing retroactive claims and expanding liability will have devastating financial consequences for organizations that provide essential services, forcing them to divert critical resources away from their missions to cover legal costs and insurance premiums. Many of these institutions, including nonpublic schools, faith-based organizations, daycare providers and charities, already operate with limited funding and would struggle to withstand a wave of litigation. Passage of similar legislation in 2023 that included an exceedingly high damages cap for private institutions has already resulted in the bankruptcy filing by the Archdiocese of Baltimore, which had for years been financially compensating victims through an independent mediation process. The same

fate could face other institutions that provide critical services to people in Maryland, serving as a safety net that fills the gaps in partnership with State agencies.

Should **HB 456** pass, the State itself could face significant financial exposure. Many of the entities affected by this legislation receive state funding, meaning the cost of defending against lawsuits, settling claims, and maintaining operations will ultimately fall on Maryland taxpayers.

This bill, if passed, could create a fiscal crisis that weakens the very organizations meant to support children and families. This exact scenario is already playing out in Maryland. Various committees in the general assembly have heard from budget analysts in the past several weeks regarding the fiscal consequences to the State regarding the Child Victims Act of 2023. The budget analysts have said that the Attorney General is likely to be asking the legislature for hundreds of millions of dollars as a downpayment for the settlement of at least 3500 cases that have been filed against the State, mainly involving state-run juvenile detention facilities, which will likely result in billions of dollars worth of settlements that the State will be responsible for.

The expansive nature of **HB 456** similarly risks exposing public and private institutions and individuals to lawsuits over actions taken decades ago, even in cases where there is little or no evidentiary support. Unlike criminal cases, civil lawsuits require a much lower burden of proof, making organizations—such as schools, religious groups, day care providers, and nonprofits—particularly vulnerable to costly and protracted litigation.

Additionally, the bill does not sufficiently distinguish between cases of clear negligence and situations where difficult decisions were made in good faith. The definitions provided for in this legislation are incredibly vague and nebulous, for example the definition of "NONSEXUAL ABUSE" MEANS THE PHYSICAL OR MENTAL INJURY OF A CHILD UNDER CIRCUMSTANCES THAT INDICATE THAT THE CHILD'S HEALTH OR WELFARE IS HARMED OR AT SUBSTANTIAL RISK OF BEING HARMED. Without clear definitions and safeguards, this legislation could unfairly penalize people and organizations that have long been dedicated to serving children and families.

While addressing nonsexual child abuse and neglect is an important goal, this bill's broad and retroactive provisions create significant legal, financial, and operational concerns. Passing this bill would continue the opening of Pandora's Box that began two years ago, would further muddle Maryland's law of statutory interpretation—likely leading to years of litigation over the correct interpretation of statutes—and could also exacerbate legal and financial instability.

For these reasons, I respectfully urge the committee to grant an **UNFAVORABLE** report to **HB 456**.