

February 17, 2025

Members of the House Judiciary Committee

*Via email*

**Re: NAMIC opposition to HB 113 — Civil Actions - Noneconomic Damages - Personal Injury and Wrongful Death**

Members of the Committee:

The National Association of Mutual Insurance Companies (NAMIC) is reaching out to express our concerns with House Bill 113, which repeals the existing limitations on noneconomic damages in civil actions for personal injury or wrongful death which have been in place for over 25 years.

NAMIC is the largest property and casualty insurance trade association in the country, with more than 1,300 member companies. NAMIC supports regional and local mutual insurance companies as well as some of the country's largest national insurers. NAMIC member companies write \$383 billion in annual premiums nationally, and our members account for 61 percent of homeowners, 48 percent of automobile, and 25 percent of the business insurance markets.

House Bill 113 proposes the repeal of the long-standing limitations on noneconomic damages in civil actions for personal injury or wrongful death. These damage caps have been in place for over 25 years, and their removal would significantly disrupt the stability of the insurance marketplace. Caps on damages help create a more predictable environment for modeling insurance costs. Without these caps, inconsistent and unpredictable judgments could result in outlier verdicts, creating one of the highest cost drivers for Maryland's insurance market. This unpredictability makes it difficult for insurers to accurately model potential losses.

Inconsistent, uncapped noneconomic damages are detached from the economic realities of a potential loss and make it difficult for juries to assign damage amounts with little direction and an open-ended scope—maintaining noneconomic damages caps alleviate that burden and ultimately provide for better price stability of insurance rates for all involved

For these reasons, NAMIC strongly opposes House Bill 113 and respectfully requests that an unfavorable report be issued for this bill.

Sincerely,



Gina Rotunno  
Regional Vice President  
Mid-Atlantic Region