

**Testimony in Opposition to S.B. 474:
A Bill That Would Allow Unlimited Noneconomic Damage Awards in
Personal Injury and Wrongful Death Cases**

**Cary Silverman on Behalf of the American Tort Reform Association
Before the Maryland Senate Judicial Proceedings Committee**

February 18, 2026

On behalf of the American Tort Reform Association (ATRA), thank you for providing me with the opportunity to testify today. ATRA opposes S.B. 474, which would eliminate the maximum amount Maryland sets for noneconomic damage awards in personal injury cases. As a result, the bill would lead to unreasonable settlement demands and unpredictable awards in a wide range of cases, which will be felt by Maryland's drivers, homeowners, and businesses in the form of higher insurance rates.

ATRA is a broad-based coalition of businesses, municipalities, associations, and professional firms that share the goal of having a fair, balanced, and predictable civil justice system. I am a Maryland resident, a member of the Maryland Bar, and a partner in the Washington, D.C. office of Shook, Hardy & Bacon L.L.P. As part of my practice, I have studied noneconomic damage awards, authoring law review articles and research papers on the topic. I have had the privilege of testifying before this Committee when it considered legislation to raise or repeal Maryland's limits on noneconomic damages in past sessions.

There is no true way to place a monetary value on the pain and suffering associated with an injury. The instinct to permit large awards for pain and suffering to those who have suffered serious injuries, on top of what is already likely to be a large award for medical expenses, lost income, and other economic losses, must be balanced against the adverse effects that rising damage awards have on homeowners, drivers, and businesses, the economy, and the civil justice system. S.B. 474 would disturb the careful balance that the General Assembly has set, which has positively contributed to a stable civil liability environment in Maryland for decades.

Damages Available Under Maryland Law

In considering the limit on noneconomic damages, it is helpful to consider the full picture of damages in personal injury and wrongful death cases.

Economic Damages. Maryland residents who experience an injury as a result of the negligence or other wrongful conduct of others are entitled to be made whole for their losses. They can seek and recover compensation for medical expenses, lost income or earning capacity, and other expenses incurred or expected. Recoveries for these types of expenses—economic damages—are *not* limited by Maryland law. Basically, any past cost or anticipated future expense resulting from an injury that has a measurable market value falls into this unlimited category.

For example, under Maryland law, the value household services that a person who has been injured or who has died can no longer perform is considered *economic* damages. The Maryland Supreme Court has indicated that these tasks may include “cooking, cleaning, and gardening” and can range from “polishing the family silver to pulling up weeds from the garden.”¹ Hauling out the garbage, mowing the lawn, and making repairs

are other examples recognized by Maryland courts as having an economic price.² A plaintiff can recover the cost of hiring someone to perform these services, which can add up to hundreds of thousands of dollars.

In cases of severe permanent injuries or death, economic damages can reach into the millions of dollars.

Noneconomic Damages. Plaintiffs can also recover noneconomic damages, the subject of S.B. 474. Noneconomic damages provide plaintiffs with compensation for types of harms that cannot be documented with a dollar value, such as pain, suffering, inconvenience, and loss of consortium.³ In wrongful death cases, Maryland law allows for an especially broad range of noneconomic damages – more expansive than most other states (but which are constrained by the statutory limit).⁴

Traditionally, noneconomic damage awards were relatively small in amount and high awards were uniformly reversed.⁵ For various reasons,⁶ the size of pain and suffering awards increased exponentially between the 1950s and 1980s.⁷ By that time, pain and suffering awards had become the largest single item of recovery in personal injury cases, exceeding medical expenses and lost wages.⁸ This prompted state legislatures to set maximum levels for these inherently subjective damage awards.

Punitive Damages. Finally, when an injury or death is caused by malicious conduct, a plaintiff can also recover punitive damages in Maryland. About half of the states limit punitive damages to an amount set by statute or a multiple of compensatory damages. A half dozen other states generally do not authorize punitive damage awards. In Maryland, punitive damages are available and *uncapped*. Such awards are permissible so long as they are supported by the evidence of malicious conduct and are not unconstitutionally excessive.

Maryland's Limit on Noneconomic Damages

The General Assembly first set a statutory maximum for noneconomic damage awards in 1985 in response to an insurance crisis and initially set the cap at \$350,000. It did so after Maryland Governor Harry Hughes and the General Assembly established two task forces, the Governor's Task Force to Study Liability Insurance and the Joint Executive/Legislative Task Force on Medical Insurance, both of which, after hearings, meetings, and substantial research, recommended such action. As the Governor's Task Force concluded:

[T]he civil justice system can no longer afford unlimited awards for pain and suffering.

The ceiling on noneconomic damages will help contain awards within realistic limits, reduce the exposure of defendants to unlimited damages for pain and suffering, lead to more settlements, and enable insurance carriers to set more accurate rates because of the greater predictability of the size of judgments. The limitation is designed to lend greater stability to the insurance market and make it more attractive to underwriters.

A substantial portion of the verdicts being returned in liability cases are for noneconomic loss. The translation of these losses into dollar amounts is an extremely subjective process as these claims are not easily amenable to

accurate, or even approximate, monetary valuation. There is a common belief that these awards are the primary source of overly generous and arbitrary liability claim payments. They vary substantially from person to person, even when applied to similar cases or similar injuries, and can be fabricated with relative ease.

A cap on allowable pain and suffering awards will help reduce the incidence of unrealistically high liability awards, yet at the same time protect the right of the injured party to recover the full amount of economic loss, including all lost wages and medical expenses.⁹

There are now separate maximum levels applicable to general personal injury and medical malpractice cases that rise to account for inflation by \$15,000 per year.¹⁰ The Maryland Supreme Court has repeatedly upheld these laws as constitutional.¹¹

Today, the inflation-adjusted maximum for noneconomic damage awards in personal injury actions is \$965,000. This amount rises to \$1,447,500 (150% of the individual limit) in wrongful death actions involving two or more beneficiaries. In wrongful death cases, pain and suffering can also be recovered on behalf of the person who died as a result of negligent conduct in addition to beneficiaries, such as a spouse or children. In those actions, the limit on noneconomic damages is also \$965,000. Combined, in actions alleging that a person died as a result of negligence, total noneconomic damages can reach \$2,412,500 (\$965,000 for the decedent plus \$1,447,500 for his or her family). These levels automatically increase to \$980,000/\$1,470,000/\$2,450,000 in October 2026.

The statutory maximum is accomplishing its goal. It has prevented outlier awards and provided for greater consistency and predictability in Maryland's civil justice system. It has ensured that those who are injured because of another party's tortious conduct can receive full compensation for economic losses plus a reasonable, though not unlimited, amount for pain and suffering. It has also provided consistency for plaintiffs by precluding widely varying noneconomic damage awards for similar injuries.

The Proposed Legislation

S.B. 474 would repeal the statutory maximum for noneconomic damage awards that applies in general personal injury cases effective October 1, 2026. This bill goes even further than some prior proposals that the General Assembly chose not to enact, which would have increased the amount or eliminated its applicability in certain cases.

Implications for Maryland for Eliminating the Statutory Limit

The Maryland Supreme Court has recognized that the General Assembly enacted this law to preserve "the availability of sufficient liability insurance, at a reasonable cost, in order to cover claims for personal injuries to members of the public."¹² Setting an upper limit for noneconomic damages "may lead to greater ease in calculating premiums, thus making the market more attractive to insurers, and ultimately may lead to reduced premiums, making insurance more affordable for individuals and organizations performing needed services."¹³

As we see a resurgence of massive pain and suffering awards nationwide, now is certainly not the time to repeal this law. Awards in excess of \$10 million, known as

“nuclear verdicts,” are rising in frequency and size in personal injury and wrongful death cases.¹⁴ The largest component of these awards are noneconomic damages.¹⁵ While about 20% of nuclear verdicts are reached in medical liability cases that would remain subject to Maryland’s separate noneconomic damage limit, many occur in auto accident (23%), product liability cases (23%), and premises liability cases (14%) nationwide.¹⁶ In other states, we have seen juries, prompted by plaintiffs’ lawyers, award amounts for past and future pain and suffering for \$12 million, \$33 million, \$40 million, even \$85 million or more.¹⁷ These verdicts are sometimes improperly prompted by a push by the plaintiffs’ lawyer for the jury to “send a message,” even if a defendant has not committed misconduct that would warrant punitive damages.

In states that lack limits on noneconomic damages, personal injury lawyers have long understood that the more you ask for, the more you get,¹⁸ and they have become increasingly bold in their requests to juries for extraordinarily high pain and suffering awards. This tactic, known as “anchoring,” implants in the minds of jurors an arbitrary sum or a mathematical formula (such as an amount per day or hour, referred to as a “per diem” argument) designed to lead to an excessive award. An “anchor” creates a psychologically powerful baseline for jurors struggling with assigning a monetary value to pain and suffering. Once a lawyer provides an anchor, jurors accept the suggested amount or “compromise” by negotiating it upward or downward. Studies show that both use of a specific sum or mathematical formula leads juries to reach a substantially higher award—double,¹⁹ quadruple,²⁰ even twenty times²¹ the amount they would have if left to determine a just and reasonable award on their own.

Fortunately, Maryland is not known for excessive awards. While anchoring is permissible in Maryland,²² this type of manipulation and the potential for excessive awards has been constrained by the statutory limit on noneconomic damages. I’ll give you one example that is a preview of what is to come if the statutory limit is eliminated. In a case arising from a Maryland inmate who fractured his wrist during a fight, the plaintiffs’ attorney requested that the jury award his client \$100 per day for pain and suffering for his remaining life expectancy of fifty years. That doesn’t sound like much, but it adds up to nearly \$2 million. The defendant’s counsel objected to the arbitrary amount as highly prejudicial, noting that he had never seen this done before, but the trial court allowed it. Prompted by that high figure, the jury ultimately returned a \$3 million verdict. The trial court reduced that \$3 million award pursuant to the noneconomic damage limit in place at the time, \$770,000. That judgment was affirmed on appeal.²³ Without a statutory maximum, these types of arguments, and awards at significantly higher levels, will become the norm in Maryland.

How Maryland’s Noneconomic Damage Limit Compares to Other States

Maryland is not alone in trying to restrain rising pain and suffering awards. When Maryland enacted its statutory limit in 1986, it was the first state to set a maximum level applicable to personal injury cases.²⁴ Now, it is among several states that have done so outside of healthcare liability. For example:

- **Alaska** limits noneconomic damages in personal injury cases to the greater of \$400,000 or injured person’s life expectancy in years multiplied by \$8,000. In cases involving “severe physical impairment or severe disfigurement,” the limit increases to the greater of \$1 million or injured person’s life expectancy in years multiplied by \$25,000.²⁵

- **Colorado** adjusted its maximum noneconomic damage award, effective 2025, to \$1.5 million in any tort action other than medical liability actions, and to \$2.125 million for surviving parties entitled to bring wrongful death actions. The law includes adjustments every two years, beginning in 2028, for inflation.²⁶
- **Hawaii** sets a \$375,000 maximum for damages for pain and suffering in personal injury actions, though this law does not apply to auto accident, product liability, toxic tort, and other cases.²⁷
- **Idaho** limits noneconomic damages in personal injury cases to \$509,013.28, as adjusted for inflation in July 2025.²⁸
- **Michigan** limits noneconomic damages in product liability actions to \$596,400, rising to \$1,065,000 in catastrophic injury cases, as adjusted for inflation in 2026.²⁹
- **Mississippi** limits noneconomic damages in personal injury cases outside of healthcare liability to \$1 million.³⁰
- **Ohio** limits noneconomic damages in personal injury cases (other than medical liability claims) to \$250,000, or three times economic loss, up to a maximum of \$350,000, which does not apply to certain permanent and substantial physical injuries, or wrongful death claims.³¹
- **Oklahoma** limits noneconomic damages in personal injury cases to \$500,000. In cases of permanent *mental* injury, the limit is \$1 million. The limit does not apply to cases involving a permanent and severe physical injury,” as defined or when there is certain misconduct.³²
- **Tennessee** limits noneconomic damage awards to \$750,000 for each injured plaintiff, which rises to \$1 million in cases involving certain catastrophic injuries or deaths. These limits do not apply if the defendant intended to harm the plaintiff, falsified or destroyed records, was impaired by alcohol or drugs, or was convicted of a related felony.³³

In addition, some states constrain noneconomic damages in their wrongful death acts, such as:

- **Indiana** limits damages for loss of an adult’s love and companionship in wrongful death cases to \$300,000.³⁴
- **Kansas** provides that nonpecuniary damages in wrongful death case cannot exceed \$250,000.³⁵
- **New Hampshire** law provides that a surviving spouse’s damages for loss of comfort, society, and companionship can be no more than \$500,000. A parent’s damages for loss of the comfort, society, affection, guidance, and companionship of a deceased child cannot exceed \$300,000.³⁶ The state legislature updated these levels in 2024.

- **Wisconsin** limits damages for nonpecuniary injuries to \$500,000 per occurrence in the case of a deceased minor, or \$350,000 per occurrence in the case of a deceased adult, for loss of society and companionship.³⁷

About half of states, like Maryland, limit noneconomic damages specifically in medical liability actions. Generally, these amounts are at levels similar to or lower than those above.

As these state laws show, Maryland's current maximum amount for noneconomic damages in personal injury cases – at nearly a million dollars, significantly more in wrongful death cases, and adjusted upward each year – is well within the mainstream. Indeed, it is at the higher end of the amounts set in other states.

Conclusion

The General Assembly's foresight in enacting a reasonable maximum award level for noneconomic damages is an important, rational approach that continues to control outlier awards. It provides consistency and predictability in Maryland's civil justice system. It has avoided the rise of awards to the astounding levels that we have seen in other states.

The bill's proposal to allow unlimited pain and suffering awards outside of healthcare liability claims will have adverse effects. It will:

- Complicate the ability to reach reasonable settlements, since plaintiffs' lawyers will demand significantly higher amounts for immeasurable harm. Some may hold out for the chance of a jackpot verdict.
- Result in more trials, imposing unnecessary costs on all litigants, depleting court resources and using juror time, and delaying compensation to injured plaintiffs.
- Lead to more frequent excessive verdicts for a wide range of businesses and nonprofit organizations and lengthy appeals.
- Result in higher insurance costs for Maryland drivers, homeowners, and businesses.

Thank you for considering our concerns. We respectfully ask for an unfavorable report.

¹ See *Murphy v. Edmonds*, 601 A.2d 102, 118 (Md. 1992) (affirming \$245,000 award for past and future loss of household services); see also *Choudhry v. Fowlkes*, 219 A.3d 107 (Md. Ct. Spec. App. 2019) (reaffirming that loss of household services are recoverable as uncapped *economic* damages so long as the plaintiff supports the request by identifying the tasks, providing their market value, and showing a reasonable expectation that a decedent would have performed those tasks).

² *Choudhry*, 219 A.3d at 113-14 (citing *Morvant v. Constr. Aggregates Corp.*, 570 F.2d 626, 633 (6th Cir. 1978)).

³ Md. Cts. & Jud. Code Ann. § 11-108(a)(1).

⁴ Md. Cts. & Jud. Code Ann. § 3-904(d) (providing that damages in wrongful death actions are not limited to pecuniary losses and may include "damages for mental anguish, emotional pain and suffering, loss of society, companionship, comfort, protection, marital care, parental care, filial care, attention, advice, counsel, training, guidance, or education"). As the American Law Institute's (ALI) tentatively approved new Restatement of the Law Third Torts: Remedies recognizes in examining Wrongful Death Acts, "most states do not compensate grief or emotional distress," unlike Maryland. Restatement of the Law Third Torts: Remedies § 23, comment b, at 363-64 (Tentative Draft No. 2, Apr. 2023).

⁵ See Ronald J. Allen & Alexia Brunet, *The Judicial Treatment of Non-economic Compensatory Damages in the Nineteenth Century*, 4 J. Empirical Legal Studies 365, 396-87 (2007) (finding that prior to the Twentieth Century, there were only two reported cases affirmed on appeal involving total damages in excess of \$450,000 in current dollars, each of which may have included an element of noneconomic damages); see also Fleming James, Jr., *The Columbia Study of Compensation for Automobile Accidents: An Unanswered Challenge*, 59 Colum. L. Rev. 408, 411 (1959) (observing that an award in excess of \$10,000 was rare).

⁶ Scholars largely attribute the initial rise in noneconomic damage awards to: (1) the availability of future pain and suffering damages; (2) the rise in automobile ownership and personal injuries resulting from automobile accidents; (3) the greater availability of insurance and willingness of plaintiffs' attorneys to take on lower value cases; (4) the rise in affluence of the public and a change in attitude that "someone should pay"; and (5) a campaign to increase such awards by the organized plaintiffs' bar. See Philip L. Merkel, *Pain and Suffering Damages at Mid-Twentieth Century: A Retrospective View of the Problem and the Legal Academy's First Responses*, 34 Cap. U. L. Rev. 545, 553-68 (2006); Joseph H. King, Jr., *Pain and Suffering, Noneconomic Damages, and the Goals of Tort Law*, 57 SMU L. Rev. 163, 170 (2004); see also Melvin M. Belli, *The Adequate Award*, 39 Cal. L. Rev. 1 (1951) (seminal article arguing for higher noneconomic damage awards).

⁷ See David W. Leebron, *Final Moments: Damages for Pain and Suffering Prior to Death*, 64 N.Y.U. L. Rev. 256, 301 (1989).

⁸ See *Nelson v. Keefer*, 451 F.2d 289, 294 (3d Cir. 1971). Judge Paul Niemeyer, a former Maryland federal judge who currently serves on the U.S. Court of Appeals for the Fourth Circuit, observed, "Money for pain and suffering . . . provides the grist for the mill of our tort industry." Paul V. Niemeyer, *Awards for Pain and Suffering: The Irrational Centerpiece of Our Tort System*, 90 Va. L. Rev. 1401, 1401 (2004).

⁹ *Franklin v. Mazda Motor Corp.*, 704 F. Supp. 1325, 1328 (D. Md. 1989), (quoting report of the Governor's Task Force to Study Liability Insurance issued Dec. 20, 1985).

¹⁰ The noneconomic damage limit in personal injury cases increases each year on October 1. Md. Cts. & Jud. Proc. Code Ann. § 11-108(b)(2)(ii).

¹¹ *Martinez v. The John Hopkins Hosp.*, 70 A.3d 397, 410 n.19 (2013); *DRD Pool Serv., Inc. v. Freed*, 5 A.3d 45, 63 (Md. 2010); *Oaks v. Connors*, 660 A.2d 423, 430 (Md. 1995); *Murphy v. Edmonds*, 601 A.2d 102, 118 (Md. 1992).

¹² *DRD Pool Serv.*, 5 A.3d at 67 (Md. 2010) (quoting *Murphy*, 601 A.2d at 115).

¹³ *Id.*

¹⁴ Cary Silverman & Christopher E. Appel, *Nuclear Verdicts: An Update on Trends, Causes, and Solutions*, at 9-10 (U.S. Chamber Inst. for Legal Reform, May 2024) (examining 1,288 reported personal injury and wrongful death verdicts over \$10 million between January 1, 2013 and December 31, 2022).

¹⁵ *Id.* at 13.

¹⁶ *Id.* at 8.

¹⁷ See Mark A. Behrens, Cary Silverman & Christopher E. Appel, *Summation Anchoring: Is it Time to Cast Away Inflated Requests for Noneconomic Damages*, 44 Am. J. of Trial Advoc. 321, 327-29 (2021) (providing examples from several states).

¹⁸ Gretchen B. Chapman & Brian H. Bornstein, *The More You Ask For, the More You Get: Anchoring in Personal Injury Verdicts*, 10 Applied Cognitive Psychology 519, 534 (1996).

¹⁹ See Bradley D. McAuliff & Brian H. Bornstein, *All Anchors are Not Created Equal: The Effects of Per Diem Versus Lump Sum Requests on Pain and Suffering Awards*, 34 L. & Human Behavior 164, 167 (2010).

²⁰ See John Campbell, et al., *Time is Money: An Empirical Assessment of Non-Economic Damages Arguments*, 95 Wash. U. L. Rev. 1, 22 (2017).

²¹ Martin Boerlin, *Verdicts on Trial: The Behavioral Science Behind America's Skyrocketing Legal Payouts* (Swiss Re, Sept. 2025).

²² *Bauman v. Woodfield*, 223 A.2d 364, 373 (Md. 1966); *E. Shore Pub. Serv. Co. v. Corbett*, 177 A.2d 701, *adhered to sub nom.*, 180 A.2d 681 (Md. 1962); *Giant Food Inc. v. Satterfield*, 603 A.2d 877, 881 (Md. Ct. Spec. App. 1992).

²³ *Rivera-Ramirez v. Hall*, No. 756, 2023 WL 1987860, at *4 (Md. Ct. Spec. App. Feb. 14, 2023). This case was brought against a contractor that provided medical services to correction facilities, alleging that its physician provided inadequate care for the inmate's injury. The same tactics, however, can be used in any personal injury case.

²⁴ See *Maryland Legislature Puts Ceiling on Personal Injury Awards*, N.Y. Times, Apr. 13, 1986.

²⁵ Alaska Stat. § 09.17.010.

²⁶ Colo. Rev. Stat. §§ 13-21-102.5(3)(a), 13-21-203(1) (as amended by H.B. 24-1472 (Colo. 2024)).

²⁷ Haw. Rev. Stat. § 663-8.7.

²⁸ Idaho Code § 6-1603, as adjusted, https://iic.idaho.gov/wp-content/uploads/2025/07/Benefits-Non-economic-caps-effective-07_01_25.pdf.

²⁹ Mich. Comp. Laws § 600.2946a, as adjusted, https://www.michigan.gov/treasury/-/media/Project/Websites/treasury/ORTA/Economic-Reports-Notices/FY-2026/Notice_01302026_NonEconomicLimitation_Signed.pdf.

³⁰ Miss. Code Ann. § 11-1-60(2)(b).

³¹ Ohio Rev. Code Ann. § 2315.18.

³² S.B. 453 (Okla. 2025) (to be codified at Okla. Stat. tit. 23, § 61.3) (effective Sept. 1, 2025).

³³ Tenn. Code § 29-39-102.

³⁴ Ind. Code Ann. § 34-23-1-2(e).

³⁵ Kan. Stat. Ann. § 60-1903(a).

³⁶ N.H. Rev. Stat. § 556:12 (as amended in 2024).

³⁷ Wis. Stat. § 895.04(4).