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February 16, 2026

The Honorable Sandy J. Bartlett
Chair, House Judiciary Committee
100 Taylor House Office Building
Annapolis, Maryland 21401

RE: House Bill 906 - Civil Actions - Punitive Damage Awards – Surcharge

UNFAVORABLE

Dear Chair Bartlett and Members of the Committee,

I'm writing today on behalf of the Maryland Association of Mutual Insurance Companies (MAMIC) in opposition to House Bill 906.

MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of its members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

On behalf of the Maryland Association of Mutual Insurance Companies (MAMIC), we respectfully oppose House Bill 906.

As you may recall, MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of our members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

House Bill 906 would make a very significant change in Maryland law with respect to the award of punitive damages. The State has a long history of case law on this subject, which operates to ensure that all damage awards, including those of punitive damages, are fairly administered. Furthermore, this bill introduces the concept of an assessment imposed by the State Court Administrator of 50% on a punitive damage award. The real purpose for this assessment is found on page 2, lines 25 and 26 of the bill, which require that the surcharge be deposited into a State fund intended to support education.

Should the General Assembly wish to examine the subject of punitive damages awards in connection with civil liability judgments, MAMIC believes the better approach is to convene a legislative study for that purpose. Respectfully, therefore, we urge an unfavorable report on House Bill 906.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Melissa Shelley', is written in a cursive style.

Melissa Shelley, President, MAMIC

cc: Bryson Popham