MARYLAND CATHOLIC CONFERENCE

February 19, 2026

HB 722
Child Sexual Abuse Claims – Doctrine of Charitable Immunity - Abrogation

House Judiciary Committee

Position: Unfavorable

The Maryland Catholic Conference (MCC) offers testimony in opposition to **House Bill 722**. The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

HB 722 is a problematic bill that unfairly targets charitable non-profits. The bill would:

- Eliminate long-recognized charitable immunity protections that date back over a century;
- Apply that change retroactively to interfere with pending lawsuits filed under the Child Victims Act of 2023; and
- Expose charitable nonprofit organizations — many of which have limited assets, limited insurance, or both — to unlimited liability exposure that goes beyond even the limits of their insurance.

Charitable immunity did not arise by accident. It was created and sustained by the common law (and expanded by the legislature) precisely because charitable nonprofit institutions exist to serve the public, not to generate profits or accumulate capital to defend against retroactive lawsuits brought decades later. Charities relied on that doctrine when arranging their affairs, determining insurance coverage, and dedicating scarce resources to mission rather than litigation reserves.

HB 722 would upset those reliance interests overnight.
Nonprofits cannot go back in time to purchase additional insurance, especially for claims dating back many decades. Many alleged abusers and supervisors are deceased. Witnesses are unavailable. Records have been lost to the passage of time, and many charitable institutions understandably cannot locate insurance records dating back 40, 60, or even 80 years ago. The removal of the statute of limitations already requires charities to defend cases under these

extraordinary evidentiary burdens. Retroactively eliminating immunity and imposing liability beyond insurance compounds the harm.

Importantly, charitable immunity does not prevent survivors from filing lawsuits or from accessing available insurance coverage in those cases. Plaintiffs continue to benefit from insurance policies that were in place. Charitable immunity applies only after those policies are exhausted — ensuring that once claimants are compensated through coverage, the charity itself is not driven into insolvency by runaway liability.

For smaller organizations, a single uninsured judgment could mean bankruptcy and closure. That would mean shuttered schools and camps, closed churches, discontinued social services, loss of housing and enrichment programs for disabled people, and the loss of programs serving the poor, the elderly, immigrants, and vulnerable families. Donors give in good faith believing their contributions will advance charitable missions — not be diverted to decades-old tort judgments, with substantial sums going to attorneys' fees for plaintiff's attorneys.

This bill will not make survivors whole. What it will do is:

- Drive charitable nonprofits into insolvency;
- Make insurance more expensive prospectively, if not completely unavailable, for charities, many of which already operate on limited budgets;
- Eliminate services for vulnerable populations; and
- Ultimately leave fewer resources — not more — for survivor care and abuse prevention.

The retroactive effect of H.B. 722 is unconstitutional.

Charities possess a vested right to charitable immunity, and vested rights may not be retroactively abrogated. The retroactive removal of immunity — combined with liability reaching back 80 years or more — is harsh, oppressive, irrational, and arbitrary. It violates fundamental principles of State and Federal Due Process.

The Legislature may modify charitable immunity prospectively. It may require nonprofits going forward to maintain minimum insurance levels as a condition of immunity. What it may not do is retroactively dismantle long-standing protections on which charities reasonably relied in structuring their operations and serving the public.

If the General Assembly truly believes immunity doctrines are unjust, it should begin by applying that principle to itself — fully, transparently, and without carve-outs. The State's own fiscal briefing now acknowledges the scope of what followed the passage of the Maryland Child Victims Act of 2023: approximately 12,000 claims were filed before June 1, 2025, and the vast majority of these claims were brought against State institutions. Even with the State's liability capped at $890,000 per occurrence, its exposure is enormous and the State has identified no dedicated funding source to meet these obligations.

Faced with a funding crisis of its own making, the State of Maryland is actively seeking dismissal of pending claims that relate to conduct that occurred before 1982, arguing that it is immune from suit prior to the enactment of the Maryland Tort Claims Act. In other words, the State is telling survivors: if your abuse occurred before 1982 at a State institution, the courthouse doors

are closed to you. At the same time, HB 722 would eliminate any immunity beyond insurance limits for charities, regardless of when the alleged abuse occurred.

The State's position is this:

- The State seeks complete immunity from pre-1982 claims.
- But charities —mission-driven and financially fragile — are fair game for limitless exposure, without even having the protection of insurance limits.

That is not justice. That is a double standard. It is profoundly hypocritical for the State to invoke sovereign immunity for itself while dismantling the protection of charitable immunity for so many institutions whose mission is to serve others.

For these reasons, the Maryland Catholic Conference respectfully urges the Committee to issue an **unfavorable report on HB 722**.