



February 28, 2026

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

Re: Opposition to House Bill 476: Noneconomic Damages – Personal Injury and Wrongful Death

Dear Chair Bartlett, Vice Chair Davis, and members of the House Judiciary Committee:

Thank you for the opportunity to submit written testimony in opposition to House Bill (HB) 476, which would repeal the existing limitation on noneconomic damages in personal injury or wrongful death lawsuits. HB 476 would eliminate the per-plaintiff cap and the 150% aggregate cap on personal injury and wrongful death cases involving multiple wrongful-death beneficiaries and would eliminate the court's obligation to reduce jury awards to below or equal to the current caps. Because medical malpractice verdicts are not subject to a damages cap, passage of HB 476 would not affect the medical malpractice damages regime.

On behalf of the Allstate Insurance Company enterprise, I respectfully urge the members of this Committee to issue an unfavorable report on HB 476.

Maryland has relied for decades on the annually-indexed ceiling for noneconomic damages and the 150% aggregate limit in multi-beneficiary wrongful-death cases. This framework has provided a degree of predictability and reserving discipline for insurers. Its removal will introduce increased volatility into the system. Repealing the cap will prompt unnecessary uncertainty, which will quickly drive up premiums.

Passage of HB 476 would raise costs for consumers, small businesses, municipalities, and nonprofits. Unlimited noneconomic damages exposure will likely cause a substantial increase in loss payments, especially for businesses. The increase in tort costs is likely to translate into a direct increase in the cost of premiums for Marylanders. The economic burden of HB 476 will ultimately be borne by insurance consumers and taxpayers.

HB 476 would upend the predictability of Maryland's current longstanding noneconomic damages framework, which is indexed for inflation, and replace it with unlimited and potentially volatile risk exposure in personal injury cases. The resulting lack of predictability would negatively affect all litigants. Insurers would be forced to account for this lack of predictability in rating their products, leading to higher insurance premiums for all Maryland customers.

Repealing Maryland's noneconomic damages cap would result in large, enduring increases in insurance premiums, affecting policyholders, taxpayers, and insurers and reinsurers across the industry. It would also prolong the litigation process by discouraging settlements, which would place added pressure on court dockets

In other states that have passed similar bills, the repeal of noneconomic damages caps has driven insurance premiums up, resulting in higher costs to consumers, employers, and the public. Plus, studies show that premium increases after the repeal of a noneconomic damages cap are larger than premium reductions after the passage of a cap; this asymmetry is cause for concern.

Proponents of HB 476 may argue that the current cap deprives seriously injured plaintiffs of justice. In fact, the current cap leaves untouched economic damages, which include medical expenses, lost earnings, and future care. Those categories of costs are currently and will remain fully compensable, meaning that seriously injured plaintiffs will continue to have access to justice after HB 476 is signed into law.

HB 476 would represent a sudden departure from Maryland's existing balanced tort compensation framework in favor of a costly and unbalanced alternative. The current framework seeks to compensate the injured fairly while containing the risk of runaway severity. HB 476 would wholly discard that framework with expensive consequences.

Reliable scholarly research demonstrates that premiums increase after the repeal of noneconomic damages caps. The Maryland noneconomic damages cap represents a core cost-control backstop; it should not be eliminated without the concurrent passage of a targeted replacement cost-control benefit.

For these reasons, we respectfully urge Committee members to issue an unfavorable report on the bill. Allstate appreciates the opportunity to provide this feedback on HB 476. Thank you for your time and consideration of this important issue.

Sincerely,



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