

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 565

(Senator Cassilly)

Judicial Proceedings

Civil Actions - Offers of Judgment

This bill makes a statutory provision pertaining to offers of judgment in civil actions for medical injuries applicable to all civil actions. The bill also redefines “costs” to include specified expenses. The bill applies prospectively to a cause of action arising on or after the bill’s October 1, 2016 effective date.

Fiscal Summary

State Effect: The bill is procedural and is not expected to materially affect State finances.

Local Effect: The bill is procedural and is not expected to materially affect local finances.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Under current law, not less than 45 days before the trial begins, a party to an action for a medical injury may serve on the adverse party an offer of judgment, with costs (as defined under Maryland Rule 2-603) then accrued. Maryland Rule 2-603 describes various items considered to be costs, including costs of all fees of the clerk, all fees of the sheriff that have been reported to the clerk by the sheriff or a party, transcript costs, and costs to employ an expert or interpreter.

A party may also make an offer of judgment not less than 45 days before hearing on the extent of liability after liability has already been determined. The court must enter judgment after the filing of specified information on the offer and acceptance. If an offer is declined, the offer is deemed withdrawn and evidence of the offer is not admissible

except to determine costs. However, even if an offer is declined, a party may still make a subsequent offer within a specified timeframe. If the offer is denied and at trial the verdict is not more favorable to the adverse party than the offer, the party receiving the offer must pay the offeror's costs incurred after making the offer.

The bill extends these provisions to all civil actions, not just actions for medical injury. Additionally, the bill specifies that, for the purpose of an offer of judgment, "costs" include:

- costs and fees of the clerk;
- costs and fees of the sheriff or a private process server;
- costs and fees of the court reporter for obtaining all or part of the stenographic transcript necessary for use in the case;
- costs and fees for printing;
- costs and fees for witnesses;
- costs and fees for exemplification and copies of papers necessary for use in the case;
- compensation of court appointed experts; and
- compensation of interpreters and salaries, fees, expenses, and costs of special interpretation service.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Maryland Health Care Alternative Dispute Resolution Office, Department of Legislative Services

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mel/kdm

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