

Maryland House Judiciary Committee
Room 101
House Office Building
Annapolis, MD 21401

Re: NAMIC Opposed to SB 669 and 670 – Increasing the Jury Threshold

Chairman Clippinger and Members of the House Judiciary Committee:

The National Association of Mutual Insurance Companies (NAMIC)¹ appreciates the opportunity to register its opposition to SB 669 and 670. For the reasons outlined in greater detail below, NAMIC requests an unfavorable report as these bills would deny access to jury trials for all defendants in civil trials and would likely increase the cost of insurance in Maryland.

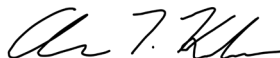
SB 669 and SB 670 would increase Maryland's existing jury threshold from \$15,000 to \$30,000. At the current \$15,000 Maryland already has the highest jury threshold in the country. Under the provisions of SB 669 and SB 670 any defendant – not just insurers – will be denied the right to a jury trial where the claim at issue is less than \$30,000. In practice, defendants in courts across Maryland will have less opportunity to defend themselves as they will have access to lesser discovery methods and will be stripped of their right under existing law to have a jury determine the claim.

SB 669 and SB 670 would have a significant impact on all individual defendants, but the effects will be exacerbated in the insurance context. The increased jury threshold is likely to increase insurance costs for individual policyholders as insurer defendants will be unable to thoroughly investigate and defend questionable claims and have these claims adjudicated by a jury. As such, NAMIC respectfully requests that the committee vote unfavorable on SB 669 and SB 670.

Thank you again for the opportunity to lend feedback

Please contact me if you have questions or comments about our position.

Sincerely,



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¹The National Association of Mutual Insurance Companies is the largest property/casualty insurance trade group with a diverse membership of more than 1,400 local, regional, and national member companies, including seven of the top ten property/casualty insurers in the United States. NAMIC members lead the personal lines sector representing 66 percent of the homeowner's insurance market and 53 percent of the auto market. Through our advocacy programs we promote public policy solutions that benefit NAMIC member companies and the policyholders they serve and foster greater understanding and recognition of the unique alignment of interests between management and policyholders of mutual companies. More than 200 NAMIC members do business in Maryland with 11 of those companies calling Maryland home.