



Testimony to the Judicial Proceedings Committee

Hearing Date – February 18, 2025

Senate Bill 743: Civil Actions - Maryland Transit Administration - Limitation of Tort Liability

Chair Smith and members of the Judicial Proceedings Committee, I am Jon Laria, Chair of the Baltimore Regional Transit Commission (BRTC), testifying on SB 743 on behalf of the BRTC.

The BRTC was created by the Maryland General Assembly to provide oversight and advocacy for the Baltimore regional transit system, operated by the Maryland Transit Administration (MTA), and to ensure that diverse stakeholder perspectives are represented in agency decisions. The BRTC includes representatives from local government, transportation, industry, business, transit riders, transit advocates, labor, and the Moore-Miller Administration.

In 2024, the BRTC undertook to identify challenges facing MTA's cost-effective delivery of transit services and efficient use of its limited resources. *We were surprised to discover that MTA is the only state agency not covered by the Maryland Tort Claims Act (the "Tort Claims Act"), which limits state liability in tort actions to \$400,000 to a single claimant for injuries arising from a single incident or occurrence. In fact, MTA is the only state agency with unlimited liability.*

This unique and inequitable treatment of MTA, exposing it to unlimited liability, places a significant strain on resources that could otherwise be dedicated to enhancing transit services for Marylanders. Unpredictable financial burdens arising from unlimited liability can divert critical funding away from safety improvements, service enhancements, and infrastructure investments. Reducing MTA's liability exposure would also likely reduce insurance requirements which MTA must impose on its contractors, which costs have apparently been an impediment to the participation of certain small businesses who seek to do business with MTA. Moreover, continued imposition of unlimited liability on MTA, which is funded by the Transportation Trust Fund (TTF), is directly contrary to ongoing efforts by the General Assembly to augment the TTF.

Our best understanding is that MTA is not subject to the Tort Claims Act because MTA was a private company until acquired by the state decades ago, and in private form would not have been entitled to liability limits afforded the state by statute. Decades later, however, there is no justification for retaining this exclusion, and MTA should be entitled to the usual protections granted to other state agencies.

We appreciate Senator Smith's willingness to introduce Senate Bill 743 to correct this long-standing inequity by adding an MTA liability limit into MTA's authorizing legislation in the Transportation Article, one exactly mirroring the Tort Claims Act limit.

On behalf of the BRTC, I urge your support for SB 743 to help ensure the continued operational success of the MTA and its mission of providing reliable, high-quality transit services for Maryland residents.

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