Circuit Court for Montgomery County
Case No. 463245V

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 1619

September Term, 2019

PEDRO STEVEN BUARQUE DE MACEDO, ET AL.

v.

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, ET Al.

Kehoe,
Gould,*
Eyler, Deborah S.,
(Senior Judge, Specially Assigned)
JJ.

Opinion by Kehoe, J.

Filed: September 29, 2021

*Judge Steven B. Gould, now serving on the Court of Appeals, participated in the hearing and conference of this case while an active member of the Court; he participated in the adoption of this opinion as a specially assigned member of this Court.

This appeal arises out of an automobile accident that claimed the lives of Michael Buarque de Macedo, his spouse Alessandra Buarque de Macedo, and one of their children, Thomas Buarque de Macedo. Their remaining child, Helena Buarque de Macedo, survived but was seriously injured. We will refer to these members of the Macedo family by their first names. We mean no disrespect.

Helena, in her own right, and Pedro Steven Buarque de Macedo, as her guardian and next friend and as the personal representative of Alessandra's and Thomas's estates, sought a declaratory judgment as to whether a household exclusion provision in an umbrella insurance policy issued to Michael applied to the claims asserted against his estate by Helena and Mr. Macedo in his representative capacities. The Circuit Court for Montgomery County concluded that the household exclusion provision applied and entered judgment to that effect.

Appellants present one issue to us:

> Does Md. Code, Courts & Jud. Proc. § 5-806 render the household exclusion clause in an umbrella policy void, up to the limits of the motor vehicle liability coverage, as to motor vehicle personal injury or wrongful death claims of unemancipated children or estates of such children against their parent?

We will affirm the judgment of the circuit court.

BACKGROUND

On the evening of February 27, 2016, Michael was driving his family to Helena's high school so that she could attend a play. While making a left turn across the westbound lanes

of River Road in Bethesda, the Macedo vehicle was struck by a BMW sedan travelling at an extremely high rate of speed.[1] All four of the occupants of the vehicle were injured. Michael, Alessandra, and Thomas died shortly thereafter. Helena survived but suffered severe and permanent injuries.

At the time of the accident, Michael had a primary automobile liability policy issued by The Travelers Indemnity Company and an umbrella liability policy issued by The Automobile Insurance Company of Hartford, Connecticut. (These companies are affiliates and we will refer to them collectively as "Hartford"). The primary policy had a liability coverage limit of $500,000 for personal injuries and property damage for each accident. The umbrella policy had a coverage limit of $2 million in excess of the automobile liability coverage. The umbrella policy also had a household exclusion provision which stated in pertinent part that the policy did not cover claims for

> bodily injury or personal injury to any person who is related by blood, marriage, or adoption to an insured and who is a resident of the household of [an insured.]

(Quotation marks omitted.)

For the purposes of this appeal, the parties do not dispute that Thomas and Helena were Michael's children and that they resided in his household.

[1] An accident report indicates that, moments before the collision, the BMW was travelling at approximately 115 miles per hour. The speed limit on that part of River Road was 45 miles per hour.

After the accident, counsel for Helena and Mr. Macedo asked Hartford to settle Alessandra's, Thomas's, and Helena's negligence, survivorship, and wrongful death claims against Michael for $2.5 million, that is, the combined policy limits of the primary liability and the umbrella policies. Hartford paid appellants $500,000 under Michael's primary policy but the insurance company declined to make any payment under the umbrella policy. Hartford asserted that the household exclusion applied to the claims.

Appellants filed a civil action asserting negligence, wrongful death and survivorship claims against Michael's estate and the State of Maryland, as well as a request for a declaratory judgment against Hartford. As to the latter entity, the only relief sought by appellants was a judgment declaring that the proceeds of the umbrella policy would be available to satisfy a judgment against Michael's estate in favor of Helena or Thomas's estate or to fund a settlement of such claims. The parties filed cross-motions for summary judgment on the household exclusion provision issue. After a hearing, the circuit court concluded that the household exclusion provision was "valid and enforceable" and entered judgment accordingly.

After the judgment was entered, appellants filed a motion asking the court to certify the judgment as final for purposes of appellate review pursuant to Md. Rule 2-602(b). Hartford and the State consented to the relief sought. The court granted the motion and stayed proceedings as to other claims until the household exclusion provision issue was resolved by the appellate courts.

ANALYSIS

1. Appellate jurisdiction

As we have noted, appellants' complaint contains eight counts. The declaratory judgment disposed of only one of them and no judgment has been entered in any of the remaining counts. "[U]nless otherwise provided by law, the right to seek appellate review in this Court or the Court of Special Appeals ordinarily must await the entry of a final judgment that disposes of all claims against all parties." *Silbersack v. ACandS, Inc.*, 402 Md. 673, 678 (2008). Md. Rule 2-602(b) permits a trial court to enter a final judgment "as to one or more but fewer than all of the claims or parties," if the court "expressly determines in a written order that there is no just reason for delay." The decision to enter final judgment pursuant to Rule 2-602(b) is discretionary. The circuit court's discretion is not untrammeled—both this Court and the Court of Appeals have "not hesitated to countermand the entry of judgment under Rule 2–602(b) and dismiss an appeal upon a finding that the trial court had not articulated a sufficient reason why there was no just reason for delay, sufficient to allow an immediate appeal." *Silbersack*, 402 Md. at 680 (quoting *Smith v. Lead Industries Ass'n*, 386 Md. 12, 25 (2005)).

There is an additional complication in the present case. Other than noting that all parties had consented to entry of judgment and that there was no just reason for delay, the circuit court did not explain the basis for its decision. "When a trial court, after expressly finding 'no just reason for delay,' directs the entry of a final judgment pursuant to Rule 2–

602(b), but fails to articulate in the order or on the record the 'findings or reasoning in support thereof, the deference normally accorded such a certification is nullified.'" *Miller Metal Fabrication. v. Wall*, 415 Md. 210, 227 (2010) (quoting *Braswell Shipyards v. Beazer East.*, 2 F.3d 1331, 1336 (4th Cir. 1993)). Under such circumstances, a Rule 2-602(b) order will be upheld only "if the record clearly demonstrates the existence of any hardship or unfairness sufficient to justify discretionary departure from the usual rule establishing the time for appeal." *Miller Metal*, 415 Md. at 228 (cleaned up).

After reviewing the record, we conclude that the circuit court did not abuse its discretion by entering final judgment on the declaratory judgment count. Counts 1 through 7 of the complaint assert negligence, wrongful death and survivorship claims against Michael's estate (premised on an assertion that Michael had been negligent in failing to avoid the accident) and the State (based on the theory that it had been negligent in designing and maintaining River Road, which is a State highway). Count 8 is the request for a declaratory judgment against Hartford. The claim asserted in the declaratory judgment count is legally and factually distinct from the claims presented in the other counts. Thus, this case does not present one of the problems that Maryland's final judgment rule is intended to avoid, namely, the prospect of "piecemeal appeals [that] may cause the appellate court to be faced with having the same issues presented multiple times[.]" *Silbersack*, 402 Md. at 679.

Additionally, the parties asserted in their consent motion that a final resolution of the declaratory judgment count might lead to a settlement of all of the claims. It is significant

that this assessment of the economic realities has been the consistent posture of the parties since the beginning of the case. Immediately after the defendants' answers were filed, the parties requested that discovery be stayed until the coverage issue was resolved. The initial (and only) scheduling order stated that a "modified schedule [was to be] set after the motion for summary judgment" was decided.

Finally, there are Helena's interests. Although we have not dwelt on the details of the accident or the nature and extent of her injuries, the collision and its immediate aftermath were truly horrific, and Helena's injuries extremely severe. If the case is settled, she would not have to testify at trial. The possibility that a final resolution of the declaratory judgment count might spare her that ordeal factors in our analysis.

In summary, we conclude the record reveals a sufficient basis to support the circuit court's entry of a final judgment as to the declaratory judgment count pursuant to Rule 2-602(b).

2. The parties' contentions[2]

In Maryland, a provision in a contract of insurance is unenforceable if it conflicts with Maryland public policy, which is typically expressed by a statutory mandate or prohibition. *Wilson v. Nationwide Mutual Insurance*, 395 Md. 524, 529–30 (2006); *Jennings v.*

[2] The Maryland Association for Justice, Inc. (the "MAJ") has filed an amicus curiae brief in support of appellants' positions. The arguments presented by the MAJ generally track those raised by appellants.

Government Employees Insurance Company, 302 Md. 352, 357 (1985). However, absent a statutory prohibition, Maryland courts will uphold the validity of the exclusion because "[a]s a general rule, parties are free to contract as they wish." *State Farm Mutual Automobile Insurance Co. v. Nationwide Mutual Insurance Co.*, 307 Md. 631, 643 (1986). The dispositive issue in this appeal is whether the household exception contained in the umbrella policy issued to Michael violates Maryland public policy. The parties' arguments on this point center on two statutes.

The first is Md. Code, Courts & Jud. Proc. § 5-806, which states (emphasis added):

> (a) This section applies to:
>
> (1) An action by an unemancipated child against a parent of the child; and
>
> (2) An action by a parent against an unemancipated child of the parent.
>
> (b) The right of action by a parent or the estate of a parent against a child of the parent, or by a child or the estate of a child against a parent of the child, for wrongful death, personal injury, or property damage arising out of the operation of a motor vehicle, as defined in Title 11 of the Transportation Article, may not be restricted by the doctrine of parent-child immunity *or by any insurance policy provisions, up to the limits of motor vehicle liability coverage or uninsured motor vehicle coverage*.

The second statute is Md. Code, Ins. § 19-504.1, which states in pertinent part:

> (a) This section applies only when the liability coverage under a policy or binder of private passenger motor vehicle liability insurance exceeds the amount required under § 17-103 of the Transportation Article.[3]

[3] Md. Code, Transp. § 17-103 sets out Maryland's requirements for insurance coverage for motor vehicles registered in this state. *See Edwards v. Mayor & City Council of Baltimore*, 176 Md. App. 446, 466 (2007).

> (b) An insurer shall offer to the first named insured under a policy or binder of private passenger motor vehicle liability insurance liability coverage for claims made by a family member in the same amount as the liability coverage for claims made by a nonfamily member under the policy or binder.
>
> * * *
>
> (d)(1) An insurer may not refuse to underwrite a first named insured because the first named insured requests or elects the liability coverage for claims made by family members in an amount equal to the coverage provided for claims made by nonfamily members.
>
> * * *

The arguments presented by appellants begin with the proposition that the language of Courts & Jud. Proc.§ 8-506 is clear and unambiguous. They state:

> [T]he Maryland General Assembly has made clear that *any provision in an insurance policy* which restricts motor vehicle liability coverage of an unemancipated child's claim against a parent is against public policy up to the limits of coverage provided in *that* policy. MD Code, Courts and Judicial Proceedings, § 5-806(b) states, in pertinent part: "The right of action . . . by a child or the estate of a child against a parent of the child, for wrongful death, personal injury, or property damage arising out of the operation of a motor vehicle . . . may not be restricted . . . by *any insurance policy provisions, up to the limits of motor vehicle liability coverage* . . . ."

(Emphasis and ellipses in original).

Appellants point out that it was Hartford's position prior to the filing of the circuit court action that the umbrella policy was not a primary motor vehicle liability policy and § 5-806 "does not prohibit application of the household exclusion." According to them, Hartford's position is "unfounded" because § 5-806 is unambiguous. Appellants assert that "the household exclusion in the Umbrella Policy in the case at bar is against the public policy set forth in § 5-806(b), and cannot be applied to restrict the motor vehicle liability

coverage" that the policy otherwise provides. Finally, appellants posit that the phrase "up to the limits of motor vehicle liability coverage" in § 5-806 was intended by the General Assembly to prevent claims in excess of policy limits, thereby "protecting the interests of unemancipated children, while at the same time ensuring that insurers only paid up to their coverage limits based on amounts selected and paid for by the insured, whether under a primary, umbrella, excess or any other type of policy offering automobile liability coverage."[4]

[4] In their reply brief, appellants assert that Hartford's legislative history analysis is not properly before us because Hartford did not present this argument to the circuit court. In support of this contention, they point to Md. Rule 8-131(a), which states that appellate courts will not decide an issue "unless it plainly appears by the record to have been raised in or decided by the trial court." (There are exceptions but none of them are applicable to this appeal.)

Appellants misinterpret the rule. The issues before this court are the proper interpretation of § 5-806 and how that statute applies to the umbrella policy. These matters were certainly raised to the circuit court. Like every appellate litigant, Hartford is free to provide additional authority to support its position. And there is certainly no prejudice to appellants. As we will explain in part 3 of our analysis, the Court of Appeals often examines a statute's legislative history. *See, e.g., Berry v. Queen*, 469 Md. 674, 688 (2020) (explaining that the "modern tendency" of the Court of Appeals is to "examine extrinsic sources of legislative intent" to validate interpretations of statutes.) The Court of Special Appeals frequently does the same. *See, e.g., Daughtry v. Nadel*, 248 Md. App. 594, 621–24 (2020). No Maryland appellate court has previously interpreted § 8-506. Even if the parties had not included discussions of the statute's legislative history, we would have analyzed it after giving the parties an opportunity to file supplemental briefing on the subject.

The MAJ elaborates on this last point. Focusing on the phrase "any insurance policy provisions" in § 5-806(b), the MAJ argues that "any" in this context means "every" or "all." Therefore, MAJ reasons, the phrase "any insurance policy provision" in the statute must include the umbrella policy "and any policy provision therein." From this premise, the MAJ reasons that § 8-506 "applies to every insurance policy but only to the limits of motor vehicle coverage." Because the household exclusion in the umbrella policy would have the effect of precluding appellants from recovering under the umbrella policy, MAJ says that it is void as violative of Maryland public policy.

For its part, Hartford argues that the meaning of § 8-506 is clear when it is read in the in the context of the statutory scheme to which it belongs. Hartford identifies that scheme as Maryland's law regarding requirements for primary coverage motor vehicle liability policies, which is primarily set out in title 19, subtitle 5 of the Insurance Article and title 17 of the Transportation Article.[5] Hartford states that the phrase "up to the limits of motor vehicle liability coverage" in the statute refers to the policy limits of the motor vehicle policy and not the policy limits of the umbrella policy. It argues that this interpretation is consistent with other relevant statutes, specifically, Ins. § 19-504.1, relevant caselaw, and the legislative histories of the two statutes.

[5] As previously noted, title 17 of the Transportation Article sets Maryland's requirements for insurance coverage for motor vehicles registered in this state. *See* note 3, *supra*.

3. Statutory interpretation

When courts interpret a statute, "[o]ur chief objective is to ascertain the General Assembly's purpose and intent when it enacted the statute." *Berry*, 469 Md. at 687. In so doing, we "assume that the legislature's intent is expressed in the statutory language and thus our statutory interpretation focuses primarily on the language of the statute to determine the purpose and intent of the General Assembly." *Id.* We undertake this through:

> an examination of the statutory text in context, a review of legislative history to confirm conclusions or resolve questions from that examination, and a consideration of the consequences of alternative readings. 'Text is the plain language of the relevant provision, typically given its ordinary meaning, viewed in context, considered in light of the whole statute, and generally evaluated for ambiguity. Legislative purpose, either apparent from the text or gathered from external sources, often informs, if not controls, our reading of the statute. An examination of interpretive consequences, either as a comparison of the results of each proffered construction, or as a principle of avoidance of an absurd or unreasonable reading, grounds the court's interpretation in reality.'

Blue v. Prince George's County, 434 Md. 681, 689 (2013) (quoting *Town of Oxford v. Koste*, 204 Md. App. 578, 585–86 (2012), *aff'd*, 431 Md. 14 (2013)); *see also Berry*, 469 Md. at 688 ("In addition to the plain language, the modern tendency of [the Court of Appeals] is to continue the analysis of the statute beyond the plain meaning to examine extrinsic sources of legislative intent in order to check our reading of a statute's plain language through examining the context of a statute, the overall statutory scheme, and archival legislative history of relevant enactments." (cleaned up)). This practice is based on the recognition that "some statutes that might initially appear to be unambiguous are, in

fact, ambiguous when considered in the context of the statute as a whole, the broader statutory scheme, or the apparent purpose, aim or policy of the Legislature in enacting the statute." *Daughtry*, 248 Md. App. at 613 n.9 (cleaned up) (citing *Berry*, 469 Md. at 687)).[6]

We identify legislative purpose by considering the language of the statute "within the context of the statutory scheme to which it belongs, considering the purpose, aim, or policy of the Legislature in enacting the statute." *State v. Johnson*, 415 Md. 413, 421–22 (2010).

4. Courts & Jud. Proc. § 5-806

Appellants and MAJ contend that § 5-806 is unambiguous. The relevant language is contained in subsection(b), which reads:

> The right of action by a parent or the estate of a parent against a child of the parent, or by a child or the estate of a child against a parent of the child, for wrongful death, personal injury, or property damage arising out of the operation of a motor vehicle, as defined in Title 11 of the Transportation Article, may not be restricted by the doctrine of parent-child immunity or by any insurance policy provisions, up to the limits of motor vehicle liability coverage or uninsured motor vehicle coverage.

As we have explained, it is appellants' and the MAJ's position that the phrase "any insurance policy provisions" means "every" insurance policy provision and the phrase "motor vehicle liability coverage or uninsured motor vehicle coverage" refers to umbrella policies as well as motor vehicle liability policies. We agree that, in the context of § 5-806,

[6] Of course, the reverse is also true—there are statutes that appear ambiguous in isolation but whose meanings become clear when they are considered in the context of the relevant "statutory scheme" and/or legislative history.

"any" equates with "every."[7] However, the statute says "up to the limits of motor vehicle liability coverage or uninsured motor vehicle coverage" and not "up to the limits of motor vehicle liability coverage or uninsured motor vehicle coverage *in any policy which affords motor vehicle accident coverage."* For us to accept appellants' proffered interpretation, we would have to read additional language into the statute.

In our view, correctly construing § 5-806 requires us to read it in conjunction with Ins. § 19-504.1, which is another statute that addresses the scope of insurance coverage for members of an insured's household. Section 19-504.1 states in pertinent part (emphasis added):

> (a) This section applies only when the liability coverage under *a policy or binder of private passenger motor vehicle liability insurance* exceeds the amount required under § 17-103 of the Transportation Article.[8]
>
> (b) An insurer shall offer to the first named insured under *a policy or binder of private passenger motor vehicle liability insurance* liability coverage for

[7] *See, e.g.*, MERRIAM-WEBSTER'S COLLEGIATE DICTIONARY 56 (11th ed. 2020) (defining "any" as "one or some indiscriminately of whatever kind," with "every" as an alternative meaning).

[8] Title 17, subtitle 1 of the Transportation Article sets out Maryland's requirements for insurance coverage for motor vehicles registered in this state. *See Edwards*, 176 Md. App. At 466. Prior to the enactment of Ins. § 19–504.1, such policies were required to provide:

> unless waived, personal injury protection of at least $2,500 to cover medical, hospital, and disability expenses for the insured, family members, guests and authorized users without regard to fault, and protection against damages caused by persons operating uninsured motor vehicles.

Stickley v. State Farm Fire & Cas. Co., 204 Md. App. 679, 697 (2012), *aff'd*, 431 Md. 347 (2013) ("*Stickley I*") (cleaned up).

> claims made by a family member in the same amount as the liability coverage for claims made by a nonfamily member under the policy or binder.
>
> * * *
>
> (d)(1) An insurer may not refuse to underwrite a first named insured because the first named insured requests or elects the liability coverage for claims made by family members in an amount equal to the coverage provided for claims made by nonfamily members.
>
> * * *

In *Stickley v. State Farm Fire & Cas. Co.*, 431 Md. 351, 347 (2013) ("*Stickley II*"), the Court of Appeals considered whether the term "private passenger motor vehicle liability insurance" in the statute included umbrella policies. In that case, Joan Stickley was a passenger in an automobile operated by her husband which was involved in an accident caused by her spouse's negligence. Ms. Stickley was seriously injured, and her husband was killed. *Id.* Just as in the case before us, the Stickleys had a primary automobile liability policy and an umbrella policy. (In *Stickley II*, the primary policy limit was $100,000 per person and the umbrella policy limit was $2,000,000.) And, just as in this case, the umbrella policy contained a household exclusion provision.[9] Finally, just as in the present case, the

[9] The umbrella policy stated in pertinent part:

> EXCLUSIONS
>
> There is no coverage under this policy for any:
>
> 13. *bodily injury* or *personal injury* to any *insured* as defined in part a. or b. of the definition of *insured*, including any claim made or suit brought against any *insured* to share damages with or repay someone else who may be obligated to pay damages because of such *bodily injury* or *personal injury*[.]

insurer offered to pay Ms. Stickley the policy limit on the liability policy but refused to make any payment on her claim under the umbrella policy. The insurer's position was based on the household exclusion in the umbrella policy. The circuit court entered judgment on the insurer's behalf. The court concluded that the term "private passenger motor vehicle liability insurance" in § 19-504.1 did not include umbrella policies. *Id.* at 354. This Court affirmed the judgment in *Stickley I*, 204 Md. App. at 682. The Court of Appeals granted *certiorari* to consider two issues:

> 1. Whether the Court of Special Appeals erred in concluding that Insurance Code § 19–504.1 does not apply to excess of umbrella policies.
>
> 2. Whether a personal liability umbrella policy that includes motor vehicle liability insurance constitutes "private passenger motor vehicle liability insurance" as contemplated by Insurance Code § 19–504.1.

The Court's answer to each of these questions was no. The Court explained (emphasis in original):

> DEFINITIONS
>
> 6. "*insured*" means:
>
> a. *you* and *your relatives* whose primary residence is your household;
>
> b. any other human being under the age of 21 whose primary residence is *your* household and who is in the care of a person described in 6.a[.]
>
> 12. "relative" means any person related to you by blood, adoption, or marriage.
>
> * * *

Stickley II, 431 Md. at 352–53 (emphasis in policy).

> We begin by looking at the plain meaning of the phrase "policy or binder of *private passenger motor vehicle liability insurance*." By its terms, a private passenger motor vehicle liability insurance policy refers to a specific type of *motor vehicle liability insurance policy*. These insurance policies have been held by this Court to attach to automobiles and not to individuals." *Neale v. Wright*, 322 Md. 8, 16 (1991). By contrast, a *personal* liability umbrella policy includes coverage for a myriad of losses suffered by the insured. This might include coverage for losses resulting in "personal injury," such as false arrest, wrongful eviction, libel, and defamation of character. The personal liability umbrella policy might also include protection against excess judgments of third parties with regard to the operation of a motor vehicle. Therefore, umbrella policies attach generally to the insured, whereas private passenger motor vehicle liability insurance policies attach to the motor vehicle and protect against injuries and/or damages resulting from the operation of the motor vehicle.
>
> Additionally, a motor vehicle liability insurance policy is a type of primary policy that is required in the State. For example, as explained by one scholar, "an individual's automobile liability and homeowner's policies are [types of] primary insurance policies." Michael M. Marick, *Excess Insurance: An Overview of General Principles and Current Issues*, 24 TORT & INS. L.J. 715, 716 (1989). Primary policies of motor vehicle liability insurance "attach immediately upon the happening of the occurrence giving rise to liability," and have been required with a mandated minimum amount of coverage since the General Assembly revised the State's automobile insurance laws in 1972[10] . . . .
>
> By contrast, an umbrella policy is a supplemental form of insurance that is distinguishable from more specific primary policies, such as motor vehicle liability insurance or homeowner's insurance. For example, Black's Law Dictionary defines an "umbrella policy" as "[a]n insurance policy covering losses that exceed the basic or usual limits of liability *provided by other policies.*" BLACK'S LAW DICTIONARY 811 (7th ed.1999). Moreover, "umbrella insurance" is specifically referred to as "insurance that is

[10] In 1972, the General Assembly enacted legislation requiring motor vehicle liability insurance for vehicles registered in Maryland. *See State Farm*, 307 Md. at 635–36.

> supplemental, providing coverage that exceeds the basic or usual limits of liability." BLACK'S LAW DICTIONARY 808 (7th ed.1999). Under either definition, therefore, umbrella policies are described not merely as an extension of the primary policy, but rather as a distinct and different form of coverage.[11]

Stickley II, 431 Md. at 359–61 (some citations and bracketing omitted, emphasis in original).

We conclude that the phrase "motor vehicle liability coverage or uninsured motor vehicle coverage" in Courts & Jud. Proc. § 8-506 and the phrase "private passenger motor vehicle liability insurance" in Ins. § 19-504.1 refer to the same concept, namely, primary liability insurance policies. The distinction drawn in *Stickley II* between motor vehicle liability policies, which "attach" to the insured vehicle, and umbrella policies, which "attach" to the insured for purposes of Ins. § 19-504.1, appears equally valid for Courts & Jud. Proc. § 8-506. This points to the conclusion that the latter statute does not apply to umbrella policies. We will test the validity of this conclusion by considering § 8-506's legislative history as well as the interpretive consequences of the parties' proposed interpretations. *Blue*, 434 Md. at 689.

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[11] In a footnote, the Court also observed that:

> An umbrella policy "generally provides two types of coverage: (1) standard excess coverage; and (2) broader coverage than is provided by the underlying insurance." Michael M. Marick, *Excess Insurance: An Overview of General Principles and Current Issues*, 24 TORT & INS. L.J. 715, 718–19 (1989).

Stickley II, 431 Md. at 361 n.5 (ellipses omitted).

5. Legislative history

The legislative history of § 8-506 can only be understood in the context of Maryland's evolving doctrine of parent-child immunity.

In contrast to the common law doctrine of interspousal immunity,[12] whose conceptual origins were deeply embedded English common law, "[t]here is nothing in the English decisions to suggest that at common law a child could not sue a parent for a personal tort." *Mahnke v. Moore*, 197 Md. 61, 64 (1951). The principle that parents should be immune from tort actions brought by their children originated in *Hewellette v. George*, 68 Miss. 703, 9 So. 885, 887 (Miss. 1891). The Court of Appeals adopted the doctrine of parent-child immunity in *Schneider v. Schneider*, 160 Md. 18, 23 (1930). The effect of *Schneider* and later cases interpreting it was to "fashion[] a broad reciprocal immunity under which parents and children could not assert any claim for civil redress" against one another in Maryland. *Warren v. Warren*, 336 Md. 618, 622 (1994). In *Mahnke*, the Court held that the doctrine did not apply in cases in which the defendant (the plaintiff's father) was "guilty of such acts [that] he forfeit[ed] his parental authority and privileges, including his immunity from suit." 197 Md. at 68. The next significant development for our purposes

[12] The history of interspousal tort immunity in Maryland is summarized in *Lusby v. Lusby*, 283 Md. 334, 337–46 (1978). *Lusby* was the first of a series of decisions by the Court of Appeals in which the scope of the immunity was incrementally narrowed. This process culminated in *Bozman v. Bozman*, 376 Md. 461, 496–97 (2003), in which the Court abrogated the doctrine in its entirety after characterizing it as "a vestige of the past, whose time has come and gone."

came in *Waltzinger v. Birsner*, 212 Md. 107, 125-26 (1957), where the Court held that the doctrine did not bar an action by or against an emancipated child.

In a series of decisions beginning with *Frye v. Frye*, 305 Md. 542, 567 (1986) and culminating in *Renko v. McLean*, 346 Md 464, 478–81 (1997), the Court of Appeals considered whether Maryland's requirement for mandatory motor vehicle liability insurance required a modification of the parent-child immunity doctrine. In each case, the Court declined to do so. Although the reasoning in the decisions varied, a recurring theme was that any modification of parent-child immunity "should 'be created by the General Assembly after an examination of appropriate policy considerations in light of the current statutory scheme.'" *Allstate Ins. Co. v. Kim*, 376 Md. 276, 283 (2003) (quoting *Warren*, 336 Md. at 627).

In response to the *Renko* decision, the General Assembly "immediately renewed efforts to create such an exception by statute." *Kim*, 376 Md. at 283. These efforts came to fruition in 2001, when the General Assembly enacted what was codified as Courts & Jud. Proc. § 5-806, which at the time stated (emphasis added):

> The right of action by a parent or the estate of a parent against a child of the parent, or by a child or the estate of a child against a parent of the child, for wrongful death, personal injury, or property damage arising out of the operation of a motor vehicle . . . may not be restricted by the doctrine of parent-child immunity or by any insurance policy provisions, up to the *mandatory minimum liability coverage levels required by § 17–103(b) of the Transportation Article*.

Kim, 376 Md. at 283.

The next development occurred in 2004, when the General Assembly enacted Ins. § 19-504.1. In relevant part, that statute requires "that when liability coverage under a policy of 'private passenger motor vehicle liability insurance' exceeds the requirements of [Transp.] § 17–103, an insurer must offer as part of that policy liability coverage for claims made by a family member in the same amount as the liability coverage for claims made by a non-family member under the policy. *Stickley I*, 204 Md. App. at 684–85.

The effect of the enactment of Ins. § 19-504.1 was that, if an insured opted for coverage for claims by family members equal to coverage by non-family members in the primary motor vehicle policies, the insurance coverage in an action between a parent and an emancipated child was for the policy limit. However, under the then-current version of Courts & Jud. Proc.§ 8-605, if the action was between a parent and an unemancipated child, the insurance coverage was limited to the amount of the mandatory minimum coverages required by Transp. § 17-103.

In the 2005 session of the General Assembly, companion bills (House Bill No. 1081 and Senate Bill No. 683) were introduced to amend § 5-806. Neither bill attracted opposition and they were approved by wide margins in each house.[13] Governor Ehrlich vetoed SB 683 as duplicative and approved HB 1081. Each bill provided that the statute would be amended as follows: (prior language stricken, new language in italics):

[13] The Senate version passed unanimously and the vote in the house of Delegates was 131 yeas and 2 nays.

> The right of action by a parent or the estate of a parent against a child of the parent, or by a child or the estate of a child against a parent of the child, for wrongful death, personal injury, or property damage arising out of the operation of a motor vehicle, as defined in Title 11 of the Transportation Article, may not be restricted by the doctrine of parent-child immunity or by any insurance policy provisions, up to the ~~mandatory minimum liability coverage levels required by § 17–103(b) of the Transportation Article~~ *limits of motor vehicle liability coverage or uninsured motor vehicle coverage*.

Perhaps because of the absence of opposition and virtually unanimous support by both houses, the legislative history is sparse. It consists of the Senate floor report, which is a "key legislative history document." *Blackstone v. Sharma*, 461 Md. 87, 130 (2018); *Daughtry*, 248 Md. App. at 622, n.19. In its floor report for HB 1081, the Senate Judicial Proceedings Committee first noted that the bill was identical to SB 146, and then summarized the purpose and effect of the then-current version of Courts & Jud. Proc. § 5-806. The Committee stated (emphasis added):

> Testimony indicated that the bill would have little or no impact on auto insurance premiums and *would provide equal treatment for minor children* who may have been injured due to the driving negligence of their parents.

Another guide to legislative intent is testimony from a bill's sponsor. *See Blackstone*, 461 Md. at 122–23. The sponsor of SB 683 was Senator Rob Garagiola. His written testimony stated in pertinent part (emphasis added):

> Under Maryland Common Law, minor children and their parents are barred from suing one another. Unlike most common law immunities, which have been abrogated by judicial decisions, the only change in the parent child immunity occurred by legislative enactment several years ago.
>
> Under that legislation, which went into effect October 2001, an unemancipated child may file suit against a parent for injuries caused by the

> parent's negligence in operating a motor vehicle, up to the mandatory minimum coverage of $20,000, but not above that amount.
>
> • • •
>
> It is clear that to pass SB 683 will have little or no impact on auto insurance premiums, and will *provide equal treatment to our minor children who may be injured due to the driving negligence of their parents.*

The Maryland State Bar Association also supported passage of the legislation. In a memorandum to the House Judiciary Committee, Richard A. Montgomery III, the MSBA's director of legislative relations, referred to Ins. § 19-504.1 and stated that the proposed legislation "will offer equal treatment to minors who may be injured as a result of their parents' actions[.]"[14]

Although it is limited, the relevant legislative history supports our interpretation of the 2005 amendments to § 8-506. And equally to the point, there is nothing in the history that provides even an iota of support for the proposition that the General Assembly intended the phrase "any insurance policy provisions, up to the limits of motor vehicle liability

[14] We recognize that "position statements by . . . interest groups are not infallible guides to the intent of the Legislature." *Hayden v. Maryland Dep't of Nat. Res.*, 242 Md. App. 505, 532 (2019) (citing Jack Schwartz and Amanda Stakem Conn, *The Court of Appeals at the Cocktail Party: the Use and Misuse of Legislative History*, 54 MD. L. REV. 432, 463 (1995)). However, such statements can be useful in identifying the problem confronting the Legislature. *Hayden*, 242 Md. App. at 533. The MSBA's statement is consistent with the other materials in the legislative history because it indicates that the problem before the General Assembly was the disconnect between insurance coverage for claims made by adult members of a household (the subject of Ins. § 19-504.1) and the limitations imposed by the then-existing version of Courts & Jud. Proc. § 8-506.

coverage or uninsured motor vehicle coverage" in the 2005 amendment to include coverage contained in umbrella policies. *See SVF Riva Annapolis LLC v. Gilroy*, 459 Md. 632, 653, (2018) (commenting that when "there is *no* discussion of [a suggested interpretation of a statute] in *any* of the legislative history," the Court will "refuse to make [the] interpretive leap" to the conclusion that silence is evidence of the General Assembly's intent) (emphasis in original); *Warden v. Drabic*, 213 Md. 438, 442 (1957) ("We are not at liberty to imagine an intent [of the Legislature], and bind the letter of the act to that intent[.]").

6. Consequences of the parties' proposed interpretations

The final step in our analysis will be to compare the possible consequences of each party's proposed interpretation of § 5-806.

Accepting appellants' reading of the statute would permit unemancipated children to recover damages up to the combined limits of the primary motor vehicle policy as well as any umbrella policy. As we have explained, the insurance coverage available to emancipated children injured by a parent or sibling is limited to the amount of the primary motor vehicle policy. *See Stickley II*, 431 Md. at 368. If the General Assembly's intent in enacting the 2005 amendment to § 5-806 was to equalize the way that insurance coverages apply to emancipated and unemancipated members of a household—and it was—it would be illogical for the Legislature to skew the balance in favor of unemancipated household members. Interpreting the 2005 amendment to Courts & Jud. Proc. § 5-806 in a way that is consistent with the Court of Appeals' analysis and holding in *Stickley II* makes eminent sense.

Conclusion

We conclude that Courts & Jud. Proc. § 5-806 is ambiguous when read in isolation. However, when the statute is considered in the context of the statutory scheme of which it is a part, its meaning becomes clear—the phrase "motor vehicle liability coverage" refers to a primary motor vehicle liability policy and not to an umbrella policy. Any lingering doubts as to the Legislature's intent is laid to rest by a review of the statute's legislative history and a consideration of the consequences of accepting appellants' proposed interpretation of the statute. Although Helena has our deepest and most profound sympathies, we cannot interpret § 5-806 in the manner that she seeks.

THE JUDGMENT OF THE CIRCUIT COURT FOR MONTGOMERY COUNTY IS AFFIRMED. APPELLANTS TO PAY COSTS.