SUPREME COURT OF MARYLAND

George Bowens v. State Farm Mutual Automobile Insurance Company

Bowens · No. No. 10, September Term, 2025 · Decided November 24, 2025

SUMMARY

The Supreme Court of Maryland held that the District Court had subject matter jurisdiction over George Bowens's breach of contract claim against State Farm for $20,000 in underinsured motorist benefits. The court concluded that the "debt or damages claimed" under the District Court's jurisdictional statute is measured by the amount sought from the insurer in the pending action, not by the insured's total underlying tort damages before subtracting amounts already paid by the tortfeasor's insurer. The court reversed the circuit court's judgment and remanded with instructions to remand the case to the District Court.

CASE DETAILS

COURT	Supreme Court of Maryland
WRITING FOR THE COURT	Killough, J.; Fader, C.J.; Watts, J.; Booth, J.; Biran, J.; Gould, J.; Eaves, J.
JURISDICTION	Supreme Court of Maryland
DECIDED	November 24, 2025
DOCKET	No. 10, September Term, 2025
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Petitioner appealed the Circuit Court for Prince George's County's affirmance of the District Court of Maryland's dismissal of his breach-of-contract action against his underinsured-motorist insurer for lack of subject-matter jurisdiction. The Supreme Court of Maryland granted certiorari.
STANDARD OF REVIEW	De novo and without deference because the appeal presented questions of law and statutory interpretation.
PRECEDENTIAL VALUE	Published and precedential
PARTIES	George Bowens v. State Farm Mutual Automobile Insurance Company

TOPICS

uninsured motorist subject matter jurisdiction insurance coverage breach of contract statutory interpretation

PRACTICE AREAS

insurance law civil procedure contracts

QUESTIONS PRESENTED

1. Whether the phrase "debt or damages claimed" in CJP § 4-401(1) for purposes of District Court jurisdiction is measured by the plaintiff's total underlying tort damages or by the amount the plaintiff seeks from the defendant in the pending action.
2. Whether an insured's residual UIM breach-of-contract claim for $20,000 falls within the District Court's $30,000 jurisdictional limit after the insurer consents to the tortfeasor's $30,000 settlement and waives subrogation.

HOLDINGS

1. The phrase "debt or damages claimed" in CJP § 4-401(1) is measured by the amount the plaintiff seeks from the defendant in the pending action, not by amounts previously paid by the tortfeasor's liability insurer or by the plaintiff's gross underlying tort damages.
2. When a UIM insurer consents to the tortfeasor's settlement under Ins. § 19-511(c)(1), the insured may pursue a residual first-party contractual claim in the District Court if the residual claim does not exceed $30,000; the insurer may not compel litigation in circuit court merely because proof of total underlying damages may exceed $30,000.

KEY QUOTATIONS

> *"The principal flaw in State Farm's position, including its reliance upon the above-cited cases, is that this is neither a tort action nor an action by an asserted third-party beneficiary of an insurance policy. Instead, this is a breach of contract action by the insured against his own insurer."* (at 15)

> *"For the foregoing reasons, we hold that the phrase "debt or damages claimed" in CJP § 4-401(1) is measured by the amount the plaintiff seeks from the defendant in the pending action."* (at 20)

FACTUAL BACKGROUND

George Bowens was injured in a February 2023 automobile accident caused by an underinsured driver whose liability insurer offered the $30,000 policy limit. Bowens had a $50,000 UIM policy with State Farm, notified State Farm of the settlement offer, and State Farm consented to the settlement and waived subrogation rights. After receiving the $30,000 settlement, Bowens sought the remaining $20,000 in UIM benefits from State Farm, which denied the claim.

PROCEDURAL HISTORY

Bowens filed a District Court action seeking $20,000 in remaining UIM benefits after accepting a $30,000 settlement from the at-fault driver's insurer. State Farm moved to dismiss for lack of subject-matter jurisdiction, arguing that Bowens had to establish total tort damages of $50,000. The District Court dismissed, and the Circuit Court for Prince George’s County affirmed. The Supreme Court of Maryland reversed and remanded with instructions to remand the case to the District Court.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Reverse the judgment of the Circuit Court for Prince George’s County and remand to that court with instructions to remand the case to the District Court for proceedings consistent with the opinion. Costs are to be paid by the respondent.

CASES CITED

- Nationwide Mut. Ins. Co. v. Shilling, 468 Md. 239, 242 (2020)
- TravCo Ins. Co. v. Crystal Williams, 430 Md. 396, 399 n.1 (2013)
- Wheeling v. Selene Finance LP, 473 Md. 356, 367, 373 (2021)
- Erie Ins. Exch. v. Heffernan, 399 Md. 598, 612 (2007)
- Allstate Ins. Co. v. Miller, 315 Md. 182, 183-93 (1989)
- Brethren Mut. Ins. Co. v. Buckley, 437 Md. 332, 347 (2014)
- Keeney v. Allstate Ins. Co., 130 Md. App. 396, 401-02 (2000)
- Nationwide Mut. Ins. Co. v. Webb, 291 Md. 721, 739-40 (1981)
- Connors v. Gov’t Emps. Ins. Co., 442 Md. 466, 475 (2015)
- Morse v. Erie Ins. Exch., 217 Md. App. 1, 19-23 (2014), aff’d sub nom. Woznicki v. GEICO Gen. Ins. Co., 443 Md. 93 (2015)
- Carroll v. Housing Opportunities Comm’n, 306 Md. 515, 522-24 (1986)
- Reese v. State Farm Mut. Auto. Ins. Co., 285 Md. 548, 549-53 (1979)
- Sharp v. Bates, 102 Md. 344 (1905)
- St. Paul Mercury Indem. Co. v. Red Cab Co., 303 U.S. 283, 294-95 (1938)
- Prince George’s Cnty. v. Aluisi, 354 Md. 422, 428-30 (1999)