

# HOUSE BILL 635

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8lr2150  
CF 8lr2173

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By: **Delegate Sydnor**

Introduced and read first time: January 29, 2018

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Courts and Judicial Proceedings – Consumer Contracts**

3 FOR the purpose of prohibiting a merchant in a certain consumer contract from extending  
4 the period of time during which the merchant may file a civil action at law against a  
5 consumer; prohibiting a merchant in a certain consumer contract from shortening  
6 the period of time during which a consumer may file a civil action at law against a  
7 merchant; establishing that a violation of certain provisions of this Act is an unfair  
8 or deceptive trade practice and is subject to certain enforcement and penalty  
9 provisions; specifying that a certain statute of limitations applicable to certain  
10 specialties does not apply to a certain consumer contract; defining certain terms; and  
11 generally relating to consumer contracts and civil actions.

12 BY repealing and reenacting, with amendments,  
13 Article – Commercial Law  
14 Section 13–301(14)(xxix)  
15 Annotated Code of Maryland  
16 (2013 Replacement Volume and 2017 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – Commercial Law  
19 Section 13–301(14)(xxx)  
20 Annotated Code of Maryland  
21 (2013 Replacement Volume and 2017 Supplement)

22 BY adding to  
23 Article – Commercial Law  
24 Section 13–301(14)(xxxi)  
25 Annotated Code of Maryland  
26 (2013 Replacement Volume and 2017 Supplement)

27 BY repealing and reenacting, without amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Courts and Judicial Proceedings  
 2 Section 5–101  
 3 Annotated Code of Maryland  
 4 (2013 Replacement Volume and 2017 Supplement)

5 BY adding to  
 6 Article – Courts and Judicial Proceedings  
 7 Section 5–101.1  
 8 Annotated Code of Maryland  
 9 (2013 Replacement Volume and 2017 Supplement)

10 BY repealing and reenacting, with amendments,  
 11 Article – Courts and Judicial Proceedings  
 12 Section 5–102  
 13 Annotated Code of Maryland  
 14 (2013 Replacement Volume and 2017 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 16 That the Laws of Maryland read as follows:

17 **Article – Commercial Law**

18 13–301.

19 Unfair or deceptive trade practices include any:

20 (14) Violation of a provision of:

21 (xxix) Title 19, Subtitle 7 of the Business Regulation Article; [or]

22 (xxx) Section 15–311.3 of the Transportation Article; or

23 **(XXXI) SECTION 5–101.1 OF THE COURTS AND JUDICIAL**  
 24 **PROCEEDINGS ARTICLE; OR**

25 **Article – Courts and Judicial Proceedings**

26 5–101.

27 A civil action at law shall be filed within three years from the date it accrues unless  
 28 another provision of the Code provides a different period of time within which an action  
 29 shall be commenced.

30 **5–101.1.**

31 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**

1 INDICATED.

2 (2) "CONSUMER" HAS THE MEANING STATED IN § 13-101(C) OF THE  
3 COMMERCIAL LAW ARTICLE.

4 (3) "CONSUMER CONTRACT" MEANS A CONTRACT FOR CONSUMER  
5 CREDIT, CONSUMER DEBTS, CONSUMER GOODS, OR CONSUMER REALTY AS DEFINED  
6 IN § 13-101(D) OF THE COMMERCIAL LAW ARTICLE.

7 (4) "MERCHANT" HAS THE MEANING STATED IN § 13-101(G) OF THE  
8 COMMERCIAL LAW ARTICLE.

9 (B) IN A CONSUMER CONTRACT, A MERCHANT MAY NOT:

10 (1) EXTEND THE TIME PROVIDED IN § 5-101 OF THIS SUBTITLE FOR A  
11 MERCHANT TO FILE A CIVIL ACTION AT LAW AGAINST A CONSUMER; OR

12 (2) SHORTEN THE TIME PROVIDED IN § 5-101 OF THIS SUBTITLE FOR  
13 A CONSUMER TO FILE A CIVIL ACTION AT LAW AGAINST A MERCHANT.

14 (C) A VIOLATION OF THIS SECTION:

15 (1) IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE  
16 MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE; AND

17 (2) IS SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS  
18 CONTAINED IN TITLE 13 OF THE COMMERCIAL LAW ARTICLE.

19 5-102.

20 (a) An action on one of the following specialties shall be filed within 12 years after  
21 the cause of action accrues, or within 12 years from the date of the death of the last to die  
22 of the principal debtor or creditor, whichever is sooner:

23 (1) Promissory note or other instrument under seal;

24 (2) Bond except a public officer's bond;

25 (3) Judgment;

26 (4) Recognizance;

27 (5) Contract under seal; or

28 (6) Any other specialty.

1 (b) A payment of principal or interest on a specialty suspends the operation of  
2 this section as to the specialty for three years after the date of payment.

3 (c) This section does not apply to:

4 (1) A specialty taken for the use of the State; [or]

5 (2) A deed of trust, mortgage, or promissory note that has been signed  
6 under seal and secures or is secured by owner-occupied residential property, as defined in  
7 § 7-105.1 of the Real Property Article; **OR**

8 **(3) A CONSUMER CONTRACT AS DEFINED IN § 5-101.1 OF THIS**  
9 **SUBTITLE.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 October 1, 2018.