

# SENATE BILL 42

D3

8lr1058

(PRE-FILED)

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By: **Senators Norman and Cassilly**

Requested: November 2, 2017

Introduced and read first time: January 10, 2018

Assigned to: Judicial Proceedings

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 15, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Courts – Consumer Debt Collection Actions – Statute of Limitations**

3 FOR the purpose of ~~repealing a certain provision of law relating to the statute of limitations~~  
4 ~~on consumer debt collection actions; clarifying that a prohibition on reviving the~~  
5 ~~statute of limitations period after certain activity on debt occurs applies only after~~  
6 ~~the expiration of the statute of limitations~~ clarifying that a certain prohibition on  
7 reviving or extending the statute of limitations applicable to a consumer debt  
8 collection action applies only to certain actions on the debt that occur after the  
9 expiration of the limitations period; providing that a certain provision of law may not  
10 be interpreted to affect the statute of limitations applicable to a cause of action  
11 arising from a certain agreement or payment plan entered into before the expiration  
12 of a certain statute of limitations; and generally relating to consumer debt collection  
13 actions.

14 BY repealing and reenacting, with amendments,  
15 Article – Courts and Judicial Proceedings  
16 Section 5–1202  
17 Annotated Code of Maryland  
18 (2013 Replacement Volume and 2017 Supplement)

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

21 **Article – Courts and Judicial Proceedings**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 5-1202.

2 (a) A creditor or a collector may not initiate a consumer debt collection action after  
3 the expiration of the statute of limitations applicable to the consumer debt collection action.

4 (b) **(1)** Notwithstanding any other provision of law, ~~on the expiration of the~~  
5 ~~statute of limitations applicable to the consumer debt collection action,~~ any subsequent  
6 payment toward, written or oral affirmation of, or any other activity on the debt ~~may~~ **THAT**  
7 **OCCURS AFTER THE EXPIRATION OF THE STATUTE OF LIMITATIONS APPLICABLE TO**  
8 **THE CONSUMER DEBT COLLECTION ACTION DOES** not revive ~~for extend~~ the limitations  
9 period.

10 **(2) THIS SUBSECTION MAY NOT BE INTERPRETED TO AFFECT THE**  
11 **STATUTE OF LIMITATIONS APPLICABLE TO A CAUSE OF ACTION ARISING FROM A**  
12 **SEPARATE WRITTEN AGREEMENT OR WRITTEN PAYMENT PLAN ENTERED INTO BY**  
13 **THE DEBTOR AND THE CREDITOR OR COLLECTOR BEFORE THE EXPIRATION OF THE**  
14 **STATUTE OF LIMITATIONS APPLICABLE TO THE CONSUMER DEBT COLLECTION**  
15 **ACTION.**

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.