

**SB0413\_NACA\_HINES\_FAV.pdf**

Uploaded by: Christine Hines

Position: FAV



February 4, 2025

Senator Pamela Beidle, Chair  
Finance Committee  
3 East Miller Senate Office Building  
Annapolis, MD 21401

**Testimony to the Finance Committee**  
**SB 0413: Consumer Protection - Consumer Contracts - Limitations Periods**  
**Position: Favorable**

Hon. Chair Beidle and Members of the Committee:

The National Association of Consumer Advocates is a national nonprofit organization of private and public sector attorneys, legal aid attorneys, law professors, and law students actively engaged in promoting a fair and open marketplace that forcefully protects the rights of all consumers, particularly those of modest means. NACA members across Maryland represent everyday consumers and working families victimized by fraudulent, abusive, and predatory business practices.

We strongly support and urge favorable passage of SB 0413 to ensure that Maryland residents are not restricted by contract terms that shorten the time period in which a consumer can file a claim when they are cheated, ripped off, or otherwise harmed by misconduct in the marketplace.

NACA has long been concerned about provisions in one-sided terms and conditions that restrict the rights and protections of consumers and working families who sign up for everyday products and services. These terms are ubiquitous, and consumers have no bargaining power over them.

In 2024, NACA released a report, *Fine Print Traps*,<sup>1</sup> identifying some of the most harmful terms in standard-form consumer contracts that weaken consumer protections and insulate corporate entities when they break the law.<sup>2</sup> For example, we have reviewed terms for products and services that would change a state's three-year statute of limitations period and reduce the time to file a claim to as little as six months. Practically, under these clauses, consumers have little time to discover their injuries, investigate the potential wrongdoing, and to obtain legal

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<sup>1</sup> Christine Hines, *Fine Print Traps – Terms in Corporate Form Contracts That Cause the Most Harm to Consumer Rights and Protections*, March 2024, <https://www.consumeradvocates.org/news/the-worst-of-the-fine-print-traps-in-everyday-terms-and-conditions/>

<sup>2</sup> Andrea J. Boyack, *Abuse of Contract: Boilerplate Erasure of Consumer Counterparty Rights*, IOWA LAW REVIEW, Vol. 110:497, at <https://ilr.law.uiowa.edu/sites/ilr.law.uiowa.edu/files/2025-01/ILR-110-Boyack.pdf>; also available at <https://ssrn.com/abstract=4756735> (March 2024).

assistance. This makes them less likely to fully enforce and benefit from laws that were passed to protect them.<sup>3</sup>

Contract clauses that shorten statute of limitations periods also undermine the work of elected officials who pass laws to protect consumers. Maryland's Consumer Protection Act, for example, which protects residents from unfair, abusive, or deceptive trade practices involving the sales of products, services, real estate, and consumer credit, gives harmed consumers a three to five-year window to file suit following various violations in the marketplace. Yet, the fine print that accompanies products and services undercuts much of these statutory protections.

The Consumer Financial Protection Bureau has also observed that companies in the consumer finance sector have an undue economic advantage because they can write these take-it-or-leave-it terms to shield themselves from legal liability by restricting the personal autonomy and freedom of individual consumers.<sup>4</sup> Standard-form terms and conditions help to make transactions more uniform and efficient, but they now go beyond the key terms of a deal, such as the price, repayment schedule, and interest rate, and include restrictive clauses, such as these limitations periods.

Maryland lawmakers and courts recognize that a key purpose of a statute of limitations is to provide adequate time for diligent consumers to file suit.<sup>5</sup> Maryland law already prohibits contracts from shortening the statute of limitations in other contexts, such as in insurance and surety contracts. The law considers these clauses to be against the state's public policy, illegal, and void. Other states, including those that are traditionally conservative, have determined that terms and conditions that shorten their statutes of limitations breach their state's public policy.<sup>6</sup>

**Maryland consumers would benefit from the commonsense safeguards in SB 0413, to nullify restrictive clauses in consumer contracts that shorten the state's statute of limitations. For the reasons above, we strongly urge favorable passage of this legislation.**

Thank you for considering our views.

Christine Hines  
Senior Policy Director

cc: Members, Finance Committee

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<sup>3</sup> Consumer Financial Protection Bureau, Proposed Rule, *Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections*, 88 Fed. Reg. 6906, 6932, Feb 1, 2023. "For example, if the consumer would have had more time under the statute of limitations law to enforce the applicable legal protection, then the term or condition would be taking away that additional time during which the consumer could have enforced the applicable legal protection. That loss of time to enforce rights may pose potential risks to consumers, raising the need for greater public oversight to protect those rights."

<sup>4</sup> Consumer Financial Protection Bureau, Proposed Rule, *Prohibited Terms and Conditions in Agreements for Consumer Financial Products or Services (Regulation AA)*, 90 Fed. Reg. 3566, 3567, Jan. 14, 2025.

<sup>5</sup> See, *Ceccone v. Carroll Home Services*, 165 A.3d 475 (Md. 2017).

<sup>6</sup> See, e.g., *Delljack, Inc. v. U.S. Bank Nat'l Ass'n*, 2012 WL 4482049 at 6-7 (D. Idaho 2012). See, also, Idaho Code § 29-110(1).

**testimony2025sb413.pdf**

Uploaded by: Franz Schneiderman

Position: FAV



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**Testimony to the Senate Finance Committee**  
**SB 413 – Civil Actions – Consumer Contracts – Limitations Periods**  
**Position: Favorable**

The Honorable Pam Beidle  
Senate Finance Committee  
3 East, Miller Senate Building  
Annapolis, MD 21401  
cc: Members, Senate Finance Committee

Feb. 6, 2025

**Honorable Chair Beidle and Members of the Committee:**

I'm a consumer advocate and Executive Director of Consumer Auto, a nonprofit group that works to secure safety, transparency, and fair treatment for Maryland drivers and consumers.

We support **SB 413** because it would ensure Maryland consumers get the benefit of the full 3-year civil statute of limitations that this legislature has established – and prevent some firms from restricting their ability to recover damages for injury or misconduct through contracts that unfairly seek to alter that timeframe.

In recent years we've seen a troubling rise in barriers to consumers' ability to use the legal system to recover damages for injuries and fraud. As is well-known, many consumer contracts now use mandatory arbitration provisions to bar or severely restrict our ability to go to court. Other companies have acted to restrict the right to recover in a less radical but nevertheless troubling way: By pushing consumers to sign contracts that shorten the timeframe for filing legal claims -- imposing, say, a one- or two-year limit rather than the three years Maryland law mandates.

Under current Maryland law, the question of whether such limitations are legally enforceable is rather murky. In a 2017 case ([Ceccone v. Carroll Home Services, LLC](#)), the Maryland Court of Appeals ruled that such limited recovery periods MAY be legal,<sup>1</sup> if a court finds they don't conflict with other laws, were not induced by fraud or misrepresentation, and appear reasonable in light of the full circumstances of the case.<sup>2</sup>

This somewhat subjective standard leaves Maryland law a bit unclear – and means marketers can sometimes get away with implementing shorter standards (and sometimes can't). In many cases they may try to restrict recovery, even in ways that wouldn't meet the legal standard, expecting that consumers may not notice the restriction or understand how it limits their legal rights, or have the resources or ability to challenge the shortened standard.

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<sup>11</sup> <https://www.mdcourts.gov/data/opinions/coa/2017/85a16.pdf>

<sup>2</sup> <https://www.decarodoran.com/contract-provisions-shortening-the-statute-of-limitations-are-enforceable-sometimes/>



## **Auto Consumer Alliance**

13900 Laurel Lakes Avenue, Suite 100  
Laurel, MD 20707

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**SB 413** would clarify the law and make sure consumers have all the time state law mandates to enforce their legal rights by declaring provisions shortening the standard **“Against Public Policy and Void”** and not a valid defense against a liability claim. It should deter efforts to impose such limitations by making their presence in a contract itself an “unfair, abusive, or deceptive practice” under Maryland’s Consumer Protection Act.

It's properly the province of the legislature to determine the statute of limitations in consumer damage cases. This bill would ensure that the standard the legislature has set applies to all consumers – and help secure fairer access to legal right to redress across all consumer transactions.

**We strongly support SB 413 and ask you to give it a FAVORABLE report.**

Sincerely,

Franz Schneiderman  
Consumer Auto

# Testimony on SB 413 2-25.pdf

Uploaded by: Jeff Sovern

Position: FAV

## TESTIMONY BEFORE THE MARYLAND SENATE ON SB 413

My name is Jeff Sovern and I am the Michael Millemann Professor of Consumer Protection Law at the University of Maryland Francis King Carey School of Law. Thank you for allowing me to testify in this matter. I make my statements in my individual capacity and do not represent any organization.

In most cases, Maryland provides for a three-year statute of limitations.<sup>1</sup> But sometimes businesses use fine print in contracts to shorten that time, taking advantage of consumers who don't understand complex contract terms, lack the bargaining power to negotiate contract terms, and so don't bother reading small print. SB 413 blocks bad actors from using such tactics. Many other states have adopted similar provisions and indeed, Maryland has already done so for insurance contracts.

**Businesses should not be able to take advantage of consumers by burying terms in fine print that make businesses unaccountable for misconduct.** Shortening limitations periods allows unscrupulous businesses to take advantage of consumers who cannot protect themselves because they cannot understand contract terms, do not read fine print, and have no power to negotiate form contracts. This point is dramatically illustrated by the company that jokingly inserted a term in its contract obliging consumers to surrender their soul upon request, only to discover that 88% of its customers had agreed to do so.<sup>2</sup>

Studies have confirmed that consumers don't read contracts.<sup>3</sup> Among those who have acknowledged not reading contract terms before agreeing to them are Chief Justice Roberts,<sup>4</sup> former Court of Appeals Judge and legal luminary Richard Posner,<sup>5</sup> consumer law professors,<sup>6</sup> and even the lawyers who draft such contracts.<sup>7</sup>

One reason consumers may not read contracts is that they cannot understand them. Numerous studies, including some I was involved with, show that consumers have difficulty understanding contract clauses that affect their rights.<sup>8</sup> It is simply unfair to allow companies to strip away consumers' rights when consumers cannot understand the provisions doing so.

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<sup>1</sup> See Md. Code Ann., Cts. & Jud. Proc. § 5-101.

<sup>2</sup> See 7,500 Online Shoppers Unknowingly Sold Their Souls, Fox News (Apr. 15, 2010).

<sup>3</sup> See Florencia Marotta-Wurgler, *Does Contract Disclosure Matter?* 168 J. INSTITUTIONAL & THEORETICAL ECON. 94, 96–97 (2012) (finding that the overwhelming majority of consumers do not read their contracts).

<sup>4</sup> See Debra Cassens Weiss, *Chief Justice Roberts Admits He Doesn't Read the Computer Fine Print*, ABAJ (Oct. 20, 2010).

<sup>5</sup> See Debra Cassens Weiss, *Judge Posner Admits He Didn't Read Boilerplate for Home Equity Loan*, ABAJ (June 23, 2010).

<sup>6</sup> See Jeff Sovern, *Another survey of consumer law professors fails to find any who always reads consumer contracts before signing them*, CONSUMER L. & POL'Y BLOG (June 17, 2019).

<sup>7</sup> See Jeff Sovern, *Poll finds majority of consumer financial services lawyers rarely or never read consumer contracts before agreeing to them*, CONSUMER L. & POL'Y BLOG (NOV. 21, 2023); Jeff Sovern, *Lawyer who created use of arbitration clauses to prevent class actions doesn't read consumer contracts*, CONSUMER L. & POL'Y BLOG (APR. 10, 2022).

<sup>8</sup> See, e.g., Roseanna Sommers, *What Do Consumers Understand About Predispute Arbitration Agreements? An Empirical Investigation*, 19 PLOS ONE 1 (2024); Jeff Sovern, Elayne E. Greenberg, Paul F. Kirgis & Yuxiang Liu, *"Whimsy Little Contracts" with Unexpected Consequences: An Empirical Analysis of Consumer Understanding of*



Ceccone v. Carroll Home Services, 165 A.3d 475 (Md. 2017) illustrates the unfairness of contract terms reducing statutes of limitations. That case involved a maintenance agreement for an oil-heated furnace. Obviously, furnaces are expected to last much longer than a year, but the agreement limited the time in which the consumer could sue to one year—though nothing in the contract shortened the statute of limitations for claims that the company could bring. The clause appeared on the back of a printed form with eighteen paragraphs; some sentences were printed entirely in capital letters, drawing attention to them, but the limitations clause was not. For the reasons discussed above, consumers are simply not in a position to protect themselves against such one-sided clauses. The Court determined that such clauses are enforceable if they satisfy several conditions, including that they are reasonable. Unfortunately, few consumers have the resources to litigate questions of whether contract terms are reasonable and so for many consumer transactions, a reasonableness test is no better than a blanket rule allowing such terms to stand.

**Similar statutes.** Many states, including red states, bar businesses from using contracts to reduce the period in which injured parties can assert claims against them. For example, Idaho provides that such clauses are “void as it is against the public policy of Idaho.”<sup>9</sup> Similarly, Mississippi mandates that such limits “shall be absolutely null and void, the object of this section being to make the period of limitations for the various causes of action the same for all litigants.”<sup>10</sup> Other states that have adopted such laws includes Alabama, Arkansas, and Nebraska.<sup>11</sup> SB 413 would bring Maryland law into line with these other states.

Maryland already prevents insurers from reducing the time in which policy holders can sue them.<sup>12</sup> If barring companies from reducing the period in which injured parties can sue them doesn’t make sense for insurance policies—as it doesn’t—it likewise doesn’t make sense for other consumer contracts.

\* \* \*

Shortening duly enacted statutes of limitations is one way for bad actors to take advantage of consumers. Maryland has adopted its statutes of limitations for a reason and it should stand by its laws. For these reasons, I respectfully urge the Maryland General Assembly to VOTE FAVORABLE on SB 413.

Respectfully submitted,

Jeff Sovern

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*Arbitration Agreements*, 75 Maryland Law Review 1 (2015); Jeff Sovern & Nahal Heydari, *Not-So-Smartphone Disclosures*, 76 Arkansas Law Review 437 (2023).

<sup>9</sup> See Idaho Code Ann. § 29-110.

<sup>10</sup> See Miss. Code Ann. § 15-1-5.

<sup>11</sup> See Ala. Code § 6-2-15; Ark. Code Ann. § 23-79-202(b) (West); Neb. Rev. Stat. Ann. § 44-357 (West).

<sup>12</sup> See Md. Code Ann., Ins. § 12-104 (West) (“(a) A provision in an insurance contract or surety contract that sets a shorter time to bring an action under or on the insurance contract or surety contract than required by the law of the State when the insurance contract or surety contract is issued or delivered is against State public policy, illegal, and void.”).

# **SB 413 - Consumer Contracts - SOL- CPD - Support.p**

Uploaded by: Steven M. Sakamoto-Wengel

Position: FAV



**CAROLYN A. QUATTROCKI**  
*Chief Deputy Attorney General*

**LEONARD J. HOWIE III**  
*Deputy Attorney General*

**CARRIE J. WILLIAMS**  
*Deputy Attorney General*

**ZENITA WICKHAM HURLEY**  
*Chief, Equity, Policy, and Engagement*

**STATE OF MARYLAND  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION DIVISION**

**ANTHONY G. BROWN**  
*Attorney General*

**WILLIAM D. GRUHN**  
*Division Chief*

**PETER V. BERNIS**  
*General Counsel*

**CHRISTIAN E. BARRERA**  
*Chief Operating Officer*

**STEVEN M. SAKAMOTO-WENGEL**  
*Consumer Protection Counsel for  
Regulation, Legislation and Policy*

February 6, 2025

**TO:** The Honorable Pamela Beidle, Chair  
Senate Finance Committee

**FROM:** Steven M. Sakamoto-Wengel  
Consumer Protection Counsel for Regulation, Legislation and Policy

**RE:** Senate Bill 413 – Consumer Contracts – Limitations Periods – SUPPORT

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The Consumer Protection Division of the Office of the Attorney General supports Senate Bill 413, sponsored by Senator Waldstreicher, which would prohibit a consumer contract from reducing the statute of limitations to bring an action under the contract below that provided by Maryland law.

Consumer contracts are, for all intents and purposes, non-negotiable. The terms are set by the business and, even if a consumer understands the terms of the contract well enough to alter its terms, rarely can be changed by the consumer. And apart from major contracts such as a home purchase, hiring an attorney to review a consumer contract is prohibitively expensive.

Allowing a business to reduce the three-year statute of limitations in a consumer contract harms Maryland consumers by limiting the consumer's ability to bring an action against the business if the business breaches the contract. The Court of Appeals of Maryland, now the Supreme Court, has determined that shortening the statute of limitations in a consumer contract may be unreasonable. In *Ceccone v. Carroll Home Services, LLC*, 454 Md. 680 (2017), the Court discussed the purpose behind limitations:

Statutes of limitations are designed to balance the competing interests of plaintiffs, defendants, and the public. A statutory period of limitations represents a policy judgment by the Legislature that serves the interest of a plaintiff in having adequate time to investigate a cause of action and file suit, the interest of a defendant in having certainty that there will not be a need to respond to a

potential claim that has been unreasonably delayed, and the general interest of society in judicial economy, [Cites omitted] In enacting the three-year statute of limitations that governs most tort and contract actions, the General Assembly made a policy decision as to an appropriate deadline for filing of such a claim by a reasonably diligent plaintiff.

*Ceccone*, 454 Md. At 691. The Court noted that, absent a controlling statute to the contrary, a provision shortening the statute of limitations may be allowed, as long as it is reasonable. However, the Court also noted that many of the cases upholding shortened limitations periods “involve sophisticated contracts between parties with roughly similar bargaining power.” Such is not the case with consumer contracts.

Other states have enacted prohibitions against shortening a statute of limitations, including Alabama, Florida and Texas. The Consumer Protection Division requests that the Senate Finance Committee do likewise and prohibit such provisions in consumer contracts by giving SB 413 a favorable report.

cc: The Honorable Jeff Waldstreicher

**SB413\_Contract SOL.pdf**

Uploaded by: Tracy Rezvani

Position: FAV



# OFFICE OF CONSUMER PROTECTION

DEPARTMENT OF COUNTY ADMINISTRATION  
9830 Patuxent Woods Drive • Columbia, Maryland 21046 • 410-313-6420  
Calvin Ball, County Executive • Tracy D. Rezvani, Administrator

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February 4, 2025

Senator Pamela Beidle, Chair  
Senator Antonio Hayes, Vice Chair  
**Senate Finance Committee**  
Miller Senate Office Building, 3 East  
Annapolis, Maryland 21401

RE: ***SB413: Support-Civil Actions - Consumer Contracts - Limitations Periods***

Chair Beidle, Vice Chair Hayes and Members of the Senate Finance Committee,

Undersigned file this comment in support of SB413, a bill sponsored by Senator Waldstreicher. SB413 seeks to render void any provision of a consumer contract that sets a shorter period of time to bring an action than is required by Maryland law at the time the contract is issued. This bill also makes any such violation subject to enforcement and penalties under the Maryland Consumer Protection Act. SB413 would be a valuable tool for the Howard County Office of Consumer Protection (OCP) to protect consumers from predatory contract provisions and foster fairness in contractual relationships.

The OCP is tasked with safeguarding the interests of Howard County consumers. We are acutely aware of the challenges faced by individuals who enter consumer contracts. One such challenge is that consumers are rarely fully informed of the legal implications of terms they enter, including provisions that limit their ability to pursue redress in the event of a breach of contract. The OCP assists consumers who are left with no options after a contract provision prematurely restricts their right to bring a claim.

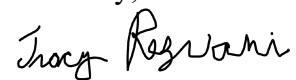
In December of 2024, the OCP received a complaint from a Maryland resident who was harmed by sharp predatory practices compounded by a limiting clause in their contract. After a flood in their basement, the homeowner retained a service provider to pick up their already boxed and packed belongings and move them to storage while their home could be restored. The company's contract required that the consumer pay the amount ultimately charged to them—an open-ended pricing contract. The contract also included a provision that prohibited claims after one year instead of the three years for typical civil claims under Md. Code Ann., Cts. & Jud. Proc. § 5-101 (West).

Before the need for storage had even expired, the company charged their homeowner's insurance policy an astounding fee of approximately \$75,000. The insurance company ultimately denied the claim noting that an appropriate fee for the moving and storage of the pre-packaged boxes would be closer to \$8,000. The business then informed the resident that it would hold their belongings in storage until it received the full fee. Under the contract's one-year provision, they were unable to bring a claim under the contract or for conversion. Had SB413 been law, they would have been guaranteed more time to file a suit to rectify the situation. At the time of this testimony, this complaint remains open with our Office, and we continue to work towards a sensible solution.

SB413 aims to codify and eliminate any end-runs around statutes of limitation and hence bring uniformity to the time frames in which consumers can bring claims. This bill would help to decrease predatory provisions in consumer contracts as well as preserve a consumer's right to claim injury within a reasonable period of time, both of which further the OCP's central mission of consumer protection. Reasonable statutes of limitations are essential to protect consumers from unfair

and deceptive trade practices and to ensure consumers have equitable access to justice in their interactions with merchants and providers.

Sincerely,

A handwritten signature in black ink that reads "Tracy Rezvani". The signature is written in a cursive style with a large initial 'T'.

Tracy D. Rezvani, Administrator

Cc: Honorable Dr. Calvin Ball III, County Executive  
Maureen Evans Arthurs, Director of Government Affairs & Strategic Partnerships

# **SB 413.pdf**

Uploaded by: William Steinwedel

Position: FAV





**Senate Bill 413 – Civil Actions – Consumer Contracts – Limitations Period  
Hearing on February 6, 2025 – Senate Finance Committee  
Position: FAVORABLE**

*Maryland Legal Aid (MLA) submits its written and oral testimony on SB 413 in response to a request from Senator Waldstreicher.*

Maryland Legal Aid (MLA) is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents, including abused and neglected children, nursing home residents, and veterans. Maryland Legal Aid (MLA) appreciates the opportunity to testify in support of this vital legislation. We are the state's largest nonprofit law firm, representing thousands of low-income Marylanders every year in civil legal cases involving a wide range of issues, including family law, housing, public benefits, consumer law, and criminal record expungements to remove barriers to obtaining child custody, housing, driver's licenses, and employment. Because SB 413 would protect a consumer's right to sue as established under State law, even if the contract with a company limits that ability, MLA testifies in strong support of this bill.

In the last twenty years, as consumer contracts have become more complex and presented electronically in a read and click approval format, companies have increasingly included provisions that a person may not see or truly understand. Some of these contracts require steps such as binding arbitration, while others limit the consumer's ability to sue entirely. Even if a consumer contract is in writing, the document is often lengthy with many provisions that are not explained and are not read. SB 413 clarifies that regardless of what a consumer contract states provisions that are illegal are not enforceable and the ability for a consumer to defend against a violation of Maryland's consumer protection laws cannot be abbreviated by the seller's boilerplate written agreement.

At MLA, we have seen how difficult it is in the best of circumstances for clients to understand standard contract terms in consumer agreement. More and more documents are sent and received electronically and purchases for personal loans, telephones, credit cards and vehicles can impose enormous losses on the consumer who do not understand terms and provision. Very few if any of our consumer clients knows if a provision is illegal or the limitations period in Maryland. SB 413 makes clear that consumers that enter into agreements in Maryland with illegal provisions, including limitations periods that do not follow state law, are not enforceable.

Because this bill would prevent companies from enforcing consumer contracts that are illegal under Maryland law, MLA gives strong support to SB 413. If you need additional information regarding this bill, please contact William Steinwedel at [wsteinwedel@mdlab.org](mailto:wsteinwedel@mdlab.org) and (410) 951-7643.

# **MBIA Letter of Opposition SB 413.pdf**

Uploaded by: Lori Graf

Position: UNF

February 6, 2025

The Honorable Pamela Beidle  
Chair, Finance Committee  
3 East Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: SB413 Letter of Opposition - Consumer Protection - Consumer Contracts - Limitations Periods**

Dear Chair Biedle:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding Consumer Protection - Consumer Contracts - Limitations Periods. **MBIA Opposes** the Act in its current version.

SB413 would establish that any provision of a consumer contract that sets a shorter period of time to bring an action under or on the consumer contract than is required under the law of the State at the time the contract is issued or delivered is void as against public policy. In consumer protection law, a "limitations period" refers to the specific timeframe within which a consumer must file a legal claim against a company for a breach of contract or violation of consumer protection laws, essentially setting a deadline for taking legal action after a problem arises

While we appreciate the intent of the legislation, the bill is overly vague and we have concerns regarding the penalty provision specifically that it goes too far and it is unclear to who the penalty would be imposed upon.

For the reasons state above we would ask the committee to give SB413 a UN favorable report.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the Senate Judicial Proceedings Committee