

# HOUSE BILL 577

D3

8lr2113

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By: **Delegate Simmons**

Introduced and read first time: January 31, 2008

Assigned to: Judiciary

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## A BILL ENTITLED

1 AN ACT concerning

2 **Preservation of Right to Jury Trial Act**

3 FOR the purpose of providing that any provision in a contract with a certain consumer  
4 that requires the waiver of a trial by jury is void and unenforceable except  
5 under certain circumstances; providing for the application of this Act; defining a  
6 certain term; and generally relating to the preservation of the right to trial by  
7 jury.

8 BY repealing and reenacting, with amendments,  
9 Article – Courts and Judicial Proceedings  
10 Section 3–206  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2007 Supplement)

13 BY adding to  
14 Article – Courts and Judicial Proceedings  
15 Section 3–206.1  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2007 Supplement)

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

20 **Article – Courts and Judicial Proceedings**

21 3–206.

22 (a) **[A] EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, A** written  
23 agreement to submit any existing controversy to arbitration or a provision in a written  
24 contract to submit to arbitration any controversy arising between the parties in the

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 future is valid and enforceable, and is irrevocable, except upon grounds that exist at  
2 law or in equity for the revocation of a contract.

3 (b) This subtitle does not apply to an arbitration agreement between  
4 employers and employees or between their respective representatives unless it is  
5 expressly provided in the agreement that this subtitle shall apply.

6 **3-206.1.**

7 (A) IN THIS SECTION, "CONSUMER" MEANS A PARTY TO AN  
8 ARBITRATION AGREEMENT WHO, IN THE CONTEXT OF THE ARBITRATION  
9 AGREEMENT, IS AN INDIVIDUAL, NOT A BUSINESS, WHO SEEKS OR ACQUIRES,  
10 INCLUDING BY LEASE, ANY GOODS OR SERVICES PRIMARILY FOR PERSONAL,  
11 FAMILY, OR HOUSEHOLD PURPOSES INCLUDING FINANCIAL SERVICES, HEALTH  
12 CARE SERVICES, OR REAL PROPERTY.

13 (B) ANY PROVISION IN A CONTRACT WITH A CONSUMER THAT REQUIRES  
14 THE WAIVER OF A TRIAL BY JURY IS VOID AND UNENFORCEABLE UNLESS  
15 PREEMPTED BY FEDERAL LAW.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
17 construed to apply only prospectively and may not be applied or interpreted to have  
18 any effect on or application to any contract entered into before the effective date of  
19 this Act.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 October 1, 2008.