

# HOUSE BILL 431

D3, I3

(5lr0854)

## ENROLLED BILL

— Economic Matters/Finance —

Introduced by **Delegate Stewart**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

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

1 AN ACT concerning

2 ~~Civil Actions – Consumer Contracts – Limitations Periods~~  
3 Consumer Protection – Consumer Contracts – Limitation Periods

4 FOR the purpose of ~~establishing that any provision of a consumer contract that sets a~~  
5 ~~shorter period of time to bring an action on or under the contract than otherwise~~  
6 ~~required under State law at the time the contract is issued or delivered is void;~~  
7 ~~providing that a violation of this Act is considered a violation of the Consumer~~  
8 ~~Protection Act; and generally relating to consumer contracts~~ prohibiting a consumer  
9 contract from setting a shorter time to bring an action under or on the consumer  
10 contract than required by the law of the State; excluding certain entities from the  
11 application of this Act; and generally relating to consumer contracts.

12 ~~BY repealing and reenacting, with amendments,~~  
13 ~~Article – Commercial Law~~  
14 ~~Section 13 – 301(14)(xliv)~~

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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.

*Italics indicate opposite chamber/conference committee amendments.*



~~Annotated Code of Maryland  
(2013 Replacement Volume and 2024 Supplement)  
(As enacted by Chapters 262, 454, 455, 460, 461, 463, and 962 of the Acts of the  
General Assembly of 2024)~~

~~BY repealing and reenacting, without amendments,~~

~~Article — Commercial Law~~

~~Section 13—301(14)(xlv)~~

~~Annotated Code of Maryland~~

~~(2013 Replacement Volume and 2024 Supplement)~~

~~(As enacted by Chapters 262, 454, 455, 460, 461, 463, and 962 of the Acts of the  
General Assembly of 2024)~~

~~BY adding to~~

~~Article — Commercial Law~~

~~Section 13—301(14)(xlvi)~~

~~Annotated Code of Maryland~~

~~(2013 Replacement Volume and 2024 Supplement)~~

~~(As enacted by Chapters 262, 454, 455, 460, 461, 463, and 962 of the Acts of the  
General Assembly of 2024)~~

~~BY adding to~~

~~Article — Courts and Judicial Proceedings~~

~~Section 5—428~~

~~Annotated Code of Maryland~~

~~(2020 Replacement Volume and 2024 Supplement)~~

BY adding to

Article – Commercial Law

Section 14–1328

Annotated Code of Maryland

(2013 Replacement Volume and 2024 Supplement)

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

**Article – Commercial Law**

~~13–301.~~

~~Unfair, abusive, or deceptive trade practices include any:~~

~~(14) Violation of a provision of:~~

~~(xlv) Title 14, Subtitle 49 of this article; [or]~~

~~(xlv) Section 12–6C–09.1 of the Health Occupations Article; or~~

1                    ~~(XLVI) SECTION 5-428 OF THE COURTS ARTICLE; OR~~

2                    ~~Article Courts and Judicial Proceedings~~

3                    ~~5-428. 14-1328.~~

4                    (A) IN THIS SECTION, "CONSUMER CONTRACT" MEANS A CONTRACT  
5 INVOLVING THE SALE, LEASE, OR PROVISION OF GOODS OR SERVICES THAT ARE FOR  
6 PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

7                    (B) THIS SECTION DOES NOT APPLY TO:

8                    (1) ANY CONSUMER CONTRACT PROVIDED BY A BUSINESS, INCLUDING  
9 AN AFFILIATE OR A SUBSIDIARY OF THE BUSINESS, THAT IS DOING BUSINESS UNDER  
10 A LICENSE, FRANCHISE AGREEMENT, CERTIFICATE, OR OTHER AUTHORIZATION  
11 ISSUED BY A STATE AGENCY, POLITICAL SUBDIVISION, OR PUBLIC UTILITY  
12 COMMISSION;

13                    (2) A SERVICE REGULATED BY:

14                    (I) THE MARYLAND PUBLIC SERVICE COMMISSION;

15                    (II) THE FEDERAL COMMUNICATIONS COMMISSION; OR

16                    (III) THE FEDERAL ENERGY REGULATORY COMMISSION; OR

17                    (3) A PERSON OR BUSINESS LICENSED TO PROVIDE SECURITY SYSTEM  
18 SERVICES UNDER TITLE 18 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS  
19 ARTICLE.

20                    ~~(C) ANY A~~ PROVISION IN A CONSUMER CONTRACT THAT SETS A SHORTER  
21 ~~PERIOD OF~~ TIME TO BRING AN ACTION UNDER OR ON THE CONSUMER CONTRACT  
22 THAN REQUIRED ~~UNDER~~ BY THE LAW OF THE STATE ~~AT THE TIME~~ WHEN THE  
23 CONSUMER CONTRACT IS ISSUED OR DELIVERED IS AGAINST STATE PUBLIC POLICY,  
24 ILLEGAL, AND VOID.

25                    ~~(C)~~ (D) IF A CONSUMER CONTRACT CONTAINS A PROVISION THAT IS  
26 ILLEGAL UNDER THIS SECTION:

27                    (1) A COURT MAY NOT GIVE EFFECT TO THE PROVISION; AND

28                    (2) A DEFENSE TO LIABILITY UNDER THE CONSUMER CONTRACT MAY  
29 NOT BE BASED ON THE SHORTER LIMITATION PERIOD.

1            ~~(D) A VIOLATION OF THIS SECTION IS:~~

2                    ~~(1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN~~  
3 ~~THE MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE; AND~~

4                    ~~(2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS~~  
5 ~~CONTAINED IN TITLE 13 OF THE COMMERCIAL LAW ARTICLE, EXCEPT § 13-411 OF~~  
6 ~~THE COMMERCIAL LAW ARTICLE.~~

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

10            SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 ~~October 1, 2025~~ June 1, 2026.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.