

## Chapter 308

## (House Bill 103)

AN ACT concerning

**Consumer Protection – Consumer Contracts – Prohibited ~~Waiver~~ Waivers**

FOR the purpose of ~~repealing~~ *altering* certain exemptions relating to a prohibition on a consumer contract that sets a shorter time to bring an action under or on the consumer contract under certain circumstances; prohibiting a consumer contract from waiving, limiting, impairing, or disclaiming ~~any right conferred or created or a manner of enforcement established~~ *statutory or punitive damages certain remedies if authorized* by federal or State law, *subject to certain exemptions and a certain exception*; ~~establishing that a violation of this Act is an unfair, abusive, or deceptive trade practice subject to enforcement and certain civil penalties~~; prohibiting a waiver by agreement of certain provisions of this Act, ~~except under certain circumstances~~; and generally relating to consumer contracts.

~~BY repealing and reenacting, with amendments,  
Article – Commercial Law  
Section 13–301(14)(xlvii)  
Annotated Code of Maryland  
(2025 Replacement Volume)~~

~~BY repealing and reenacting, without amendments,  
Article – Commercial Law  
Section 13–301(14)(xlviii)  
Annotated Code of Maryland  
(2025 Replacement Volume)~~

~~BY adding to  
Article – Commercial Law  
Section 13–301(14)(xlix)  
Annotated Code of Maryland  
(2025 Replacement Volume)~~

BY repealing and reenacting, with amendments,  
Article – Commercial Law  
Section 14–1328  
Annotated Code of Maryland  
(2025 Replacement Volume)  
(As enacted by Chapter 194 of the Acts of the General Assembly of 2025)

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:~~

~~(xlvii) Title 14, Subtitle 50 of this article; [or]~~

~~(xlviii) Section 13-411.1(e)(2) of the Transportation Article; or~~

~~(XLIX) SECTION 14-1328 OF THIS ARTICLE; OR~~

14-1328.

(a) (1) In this section[, “consumer”] **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) **“CONSUMER” HAS THE MEANING STATED IN § 13-101 OF THIS ARTICLE.**

(3) **“CONSUMER contract” means a contract involving the sale, lease, or provision of goods or services that are for personal, family, or household purposes.**

(b) ~~¶~~This section does not apply to:

(1) ~~Any consumer contract provided by a business, including an affiliate or a subsidiary of the business, that is doing business under a license, franchise agreement, certificate, or other authorization issued by a State agency, political subdivision, or public utility commission~~ **A CONSUMER CONTRACT FOR A SERVICE PROVIDED BY A SELF-SERVICE STORAGE FACILITY, AS DEFINED IN § 18-501 OF THIS ARTICLE;**

(2) A service regulated by:

(i) The Maryland Public Service Commission;

(ii) The Federal Communications Commission; or

(iii) The Federal Energy Regulatory Commission; or

(3) A person or business licensed to provide security system services under Title 18 of the Business Occupations and Professions Article.

~~(c)~~ ~~(1)~~ ~~A provision~~ **THE EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE FOLLOWING PROVISIONS** in a consumer contract ~~that~~ [sets a shorter time to bring an action under or on the consumer contract than required by the law of the State when the consumer contract is issued or delivered] ~~WAIVES, LIMITS, IMPAIRS, OR DISCLAIMS A RIGHT CONFERRED OR CREATED OR A MANNER OF ENFORCEMENT ESTABLISHED BY FEDERAL OR STATE LAW~~ is ARE against State public policy, illegal, and void, ~~INCLUDING A:~~

~~(1)~~ ~~(I)~~ **A PROVISION THAT WAIVES, LIMITS, IMPAIRS, OR DISCLAIMS STATUTORY OR PUNITIVE DAMAGES THE FOLLOWING REMEDIES IF AUTHORIZED BY FEDERAL OR STATE LAW:**

- 1. STATUTORY DAMAGES;**
- 2. PUNITIVE DAMAGES, INCLUDING FOR INTENTIONAL, KNOWING, OR RECKLESS VIOLATIONS OF LAW;**
- 3. DECLARATORY RELIEF; OR**
- 4. INJUNCTIVE RELIEF; AND**

~~(2)~~ ~~(II)~~ **A PROVISION THAT SETS A SHORTER TIME TO BRING AN ACTION UNDER OR ON THE CONSUMER CONTRACT THAN REQUIRED BY STATE LAW WHEN THE CONSUMER CONTRACT WAS ISSUED OR DELIVERED.**

**(2) A PROVISION IN A CONSUMER CONTRACT MAY LIMIT RECOVERY OF STATUTORY OR PUNITIVE DAMAGES AUTHORIZED BY FEDERAL OR STATE LAW TO THE EXTENT OF THE APPLICABLE LIMIT OF INSURANCE COVERAGE.**

~~(d)~~ ~~(c)~~ If a consumer contract contains a provision that is illegal under this section:

(1) A court [may]:

(I) **MAY** not give effect to the provision; and

(II) **SHALL ENFORCE THE REMAINDER OF THE CONSUMER CONTRACT TO THE EXTENT PRACTICABLE; AND**

(2) A defense to liability under the consumer contract may not be based on the [shorter limitation period] **PROVISION.**

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

~~(I) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THIS ARTICLE; AND~~

~~(H) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE, EXCEPT § 13-411 OF THIS ARTICLE.~~

~~(2) IN ADDITION TO AN ACTION FOR DAMAGES UNDER § 13-408 OF THIS ARTICLE, A PERSON MAY BRING AN ACTION FOR DECLARATORY RELIEF OR AN INJUNCTION TO PROHIBIT A PERSON WHO HAS ENGAGED OR IS ENGAGING IN A VIOLATION OF THIS SECTION FROM ENGAGING IN OR CONTINUING TO ENGAGE IN THE VIOLATION.~~

~~(E) (D) (E)~~ (1) THIS SECTION SHALL BE CONSTRUED TO APPLY EQUALLY AND WITHOUT FAVORABLE TREATMENT TO A CONSUMER CONTRACT WITH OR WITHOUT AN ARBITRATION PROVISION.

(2) THIS SECTION MAY NOT BE CONSTRUED TO:

(I) INVALIDATE AN ARBITRATION PROVISION THAT IS ENFORCEABLE UNDER THE FEDERAL ARBITRATION ACT; OR

~~(II) PROHIBIT A PROVISION IN A CONSUMER CONTRACT THAT GRANTS A CONSUMER A RIGHT OR A MANNER OF ENFORCEMENT MORE EXPANSIVE OR EXTENSIVE THAN A RIGHT CONFERRED OR CREATED OR A MEANS OR MANNER OF ENFORCEMENT ESTABLISHED~~ CREATE A RIGHT OR REMEDY NOT OTHERWISE PROVIDED BY FEDERAL OR STATE LAW.

(3) ~~(H)~~ A PROVISION OF THIS SECTION MAY NOT BE WAIVED BY AGREEMENT.

~~(H) A CONSUMER MAY WAIVE A RIGHT CONFERRED OR CREATED OR A MANNER OF ENFORCEMENT ESTABLISHED BY FEDERAL OR STATE LAW AS PART OF A SETTLEMENT OF A DISPUTE OR AN ACTION, UNLESS OTHERWISE PROHIBITED BY FEDERAL LAW.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application of any provision of this Act to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any contract entered into before the effective date of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect on the later of October 1, 2026, or the taking effect of Chapter 194 of the Acts of the General Assembly of 2025, if the effective date of Chapter 194 is amended.

**Approved by the Governor, April 28, 2026.**