

SB0656/143820/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 656
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “of” insert “making a violation of certain provisions of law regarding the manufacture, sale, delivery, holding, or offering for sale certain cosmetic products an unfair, abusive, or deceptive trade practice;”; in line 7, after “damages” insert “resulting from actual harm sustained by an individual”; in line 9, after “products;” insert “establishing the Harmful Hair Chemicals Restitution Fund as a special, nonlapsing fund; requiring that interest earnings of the Fund remain in the Fund;”; after line 10, insert:

“BY renumbering

Article - Health - General

Section 21-259.3

to be Section 21-259.4

Annotated Code of Maryland

(2023 Replacement Volume and 2025 Supplement)

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)

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BY adding to

Article - Commercial Law
Section 13-301(14)(xlix)
Annotated Code of Maryland
(2025 Replacement Volume)”;

and after line 20, insert:

“BY adding to

Article - Health - General
Section 21-259.3
Annotated Code of Maryland
(2023 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,

Article - State Finance and Procurement
Section 6-226(a)(2)(i) and (ii)
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement
Section 6-226(a)(2)(iii)212. and 213.
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

BY adding to

Article - State Finance and Procurement
Section 6-226(a)(2)(iii)214.
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)”.

AMENDMENT NO. 2

On page 1, in line 22, after “That” insert “Section(s) 21-259.3 of Article – Health – General of the Annotated Code of Maryland be renumbered to be Section(s) 21-259.4.”

SECTION 2. AND BE IT FURTHER ENACTED;”;

and after line 22, insert:

“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(c)(2) of the Transportation Article; or

(XLIX) SECTION 21–259.2 OF THE HEALTH – GENERAL ARTICLE; OR”.

On page 4, in line 2, after “DAMAGES” insert “RESULTING FROM ACTUAL HARM”; in line 4, after “(2)” insert “AN ACTION UNDER THIS SECTION MUST BE BROUGHT WITHIN 3 YEARS AFTER THE DATE ON WHICH THE PLAINTIFF DISCOVERED OR REASONABLY SHOULD HAVE DISCOVERED THAT THE EXPOSURE TO AN INGREDIENT IN VIOLATION OF THIS SECTION WAS THE PROXIMATE CAUSE OF THE INJURY SUSTAINED BY THE PLAINTIFF.”

(Over)

(3)”;

in line 5, strike “REASONABLE ATTORNEY’S FEES”; in the same line, after “PLAINTIFF” insert “:

(I) TREBLE DAMAGES;

(II) IF THE VIOLATION WAS WILLFUL, PUNITIVE DAMAGES;

AND

(III) REASONABLE ATTORNEY’S FEES”;

after line 21, insert:

“21-259.3.

(A) IN THIS SECTION, “FUND” MEANS THE HARMFUL HAIR CHEMICAL RESTITUTION FUND.

(B) THERE IS A HARMFUL HAIR CHEMICAL RESTITUTION FUND.

(C) THE PURPOSE OF THE FUND IS TO SUPPORT THE RESEARCH AND TREATMENT, INCLUDING SCREENINGS AND DIAGNOSIS, OF FIBROIDS, UTERINE CANCER, HAIR LOSS, AND RELATED CONDITIONS CAUSED BY HARMFUL HAIR CHEMICALS.

(D) THE ATTORNEY GENERAL SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

(1) ALL FUNDS, EXCLUDING FUNDS RECEIVED BY THE AGGRIEVED PARTY AND THE COSTS OF THE ACTION THE ATTORNEY GENERAL IS ENTITLED TO RECOVER, RECEIVED BY THE DIVISION OF CONSUMER PROTECTION IN THE OFFICE OF THE ATTORNEY GENERAL FROM ENFORCING § 21-259.2 OF THIS SUBTITLE UNDER THE CONSUMER PROTECTION ACT; AND

(2) INTEREST EARNINGS OF THE FUND.

(G) (1) THE FUND SHALL BE USED FOR:

(I) PROVIDING GRANTS FOR THE SUPPORT OF THE RESEARCH AND TREATMENT, INCLUDING SCREENINGS AND DIAGNOSIS, OF FIBROIDS, UTERINE CANCER, HAIR LOSS, AND RELATED CONDITIONS CAUSED BY HARMFUL HAIR CHEMICALS;

(II) CARRYING OUT ANY LAWS ENACTED TO BENEFIT VICTIMS OF A VIOLATION OF § 21-259.2 OF THIS SUBTITLE; AND

(III) PROVIDING RESTITUTION TO VICTIMS OF A VIOLATION OF § 21-259.2 OF THIS SUBTITLE.

(Over)

(2) TO QUALIFY FOR A GRANT FROM THE FUND, AN APPLICANT FOR A GRANT UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL BE REQUIRED TO:

(I) FILE A COMPLAINT WITH THE ATTORNEY GENERAL FOR A VIOLATION OF § 21-259.2 OF THIS SUBTITLE; AND

(II) HAVE SUSTAINED HARM AS A RESULT OF A VIOLATION OF § 21-259.2 OF THIS SUBTITLE.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND FOR THE SUPPORT OF RESEARCH AND TREATMENT UNDER SUBSECTION (G) OF THIS SECTION IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE SUPPORT OF RESEARCH AND TREATMENT.

Article – State Finance and Procurement

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(a) (2) (i) This paragraph does not apply in fiscal years 2024 through 2028.

(ii) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(iii) The provisions of subparagraph (ii) of this paragraph do not apply to the following funds:

212. the Department of Social and Economic Mobility Special Fund; [and]

213. the Population Health Improvement Fund; AND

214. THE HARMFUL HAIR CHEMICALS RESTITUTION FUND.”;

and in line 22, strike “2.” and substitute “3.”.