



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Senator Charles E. Sydnor III
Testimony Regarding SB 0156: Civil Actions –
Specialties Statute of Limitations
Before the Senate Judicial Proceedings Committee
February 3, 2022

Good afternoon Chair Smith, members of the Judicial Proceedings Committee.

Today I come before you to present SB0156. This legislation is intended to correct and check one aspect of the ruling of the Court of Appeals in the matter of *Cain v. Midland Funding, LLC*. 38–2020 (Md. Aug. 4, 2021). The decision is comprehensive and covers a lot of territory, however this bill concerns a limited issue created by the *Cain* holding: that actions on judgments may be brought by creditors for twelve years but judgment debtors only have three years to bring a claim. The Court concluded that the language is “ambiguous” and ultimately held:

the 12-year statute of limitations under CJ § 5-102(a)(3) is intended to apply to an action to enforce a judgment. Because the Petitioners are not seeking to enforce a judgment, but rather, are seeking money damages resulting from Midland's efforts to collect the judgment, CJ § 5-102(a)(3) does not apply and such claims are subject to the default three-year statute of limitations under CJ § 5-101.

There is no just or fair reason for the Court’s holding in *Cain* to apply the specialty statute of limitations in Courts and Judicial Proceedings § 5-102 to one party to a judgment and not to the other party to the judgment. A plain reading of the statute does not support the majority’s holding granting special relief for judgment creditors and not judgment debtors. The Court’s interpretation of the statute should not be attributed to the intent of the General Assembly which is prohibited by Maryland Constitution Article III, § 33¹ from passing such special legislation.

Since the Court believed the statute was ambiguous and likely misinterpreted this body’s intent, we have a responsibility, a constitutional duty, to address this and provide unambiguous language.

¹ The General Assembly shall not pass local, or special Laws, in any of the following enumerated cases, viz.: For extending the time for the collection of taxes; granting divorces; changing the name of any person; providing for the sale of real estate, belonging to minors, or other persons laboring under legal disabilities, by executors, administrators, guardians or trustees; giving effect to informal, or invalid deeds or wills; refunding money paid into the State Treasury, or releasing persons from their debts, or obligations to the State, unless recommended by the Governor, or officers of the Treasury Department. And the General Assembly shall pass no special Law, for any case, for which provision has been made, by an existing General Law. The General Assembly, at its first Session after the adoption of this Constitution, shall pass General Laws, providing for the cases enumerated in this section, which are not already adequately provided for, and for all other cases, where a General Law can be made applicable.

Senate Bill 156 is solely intended to provide unambiguous language that a creditor and debtor will both have the same length of time to resolve an action on or related to, or concerning a judgment.

I have had conversations with some concerned parties and I am providing an amendment to address some of the concerns raised since this bill was introduced; I have added an amendment clarifying that SB0156 applies to the judgment specialty and not the other specialties. I would also like to note that some opponents have expressed concern that this bill will impact the remaining aspects of the *Cain* case that are before the Circuit Court for Baltimore City. Those arguments are without merit in that the Court of Appeals held the plaintiffs in *Cain* could proceed individually on their claims.

For the aforementioned reasons, I ask that this committee provide SB156 a favorable report.