



HB 1182 - Commercial Law - Maryland Antitrust Act - Enforcement Remedies

Committee: Senate Finance Committee

Date: March 26, 2024

Position: Unfavorable

The Maryland Bankers Association (MBA) **OPPOSES** HB 1182. This legislation adds language to Section 11-209 of the Commercial Law Article for antitrust violations stating that restitution includes disgorgement.

If a court were to determine that someone violated the Maryland Antitrust Act, Section 11-209 of the Commercial Law Article provides the court with the ability to enter a judgment to remove the effects and prevent the continuation of the violation. The judgment can include injunction, restitution, divestiture, and suspension. In addition, a court may assess a daily fine of \$10,000 for the duration of the violation, as each day constitutes a separate violation.

The MBA firmly believes that the role of the court in antitrust cases is to make the victims of an antitrust violation whole. The penalties established in Section 11-209 give a court a wide variety of tools to make victims whole and establish penalties against violators. Adding disgorgement provides no benefit to a victim of a violation and instead adds yet another fine to someone who is already subject to a fine of millions of dollars.

Adding disgorgement to the current penalties is unnecessary and excessive. Accordingly, the MBA urges issuance of a **UNFAVORABLE** report on HB 1182.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing more than 26,000 Marylanders and holding more than \$209 billion in deposits in over 1,200 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.