



# Montgomery County

## Office of Intergovernmental Relations

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**HB 549**

**DATE: March 21, 2024**

**SPONSOR: Delegate Embry, et al.**

**ASSIGNED TO: Judicial Proceedings**

**CONTACT PERSON: Kathleen Boucher (kathleen.boucher@montgomerycountymd.gov)**

**POSITION: Support (Office of Consumer Protection)**

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### **Statute of Limitations – Prosecution or Enforcement of Local Consumer Protection Codes**

The Montgomery County Office of Consumer Protection has been enforcing consumer protection laws for 53 years and we are proud to have earned national recognition for our work. We strongly support House Bill 549 as an important measure to safeguard consumers.

The need for an extended 3-year statute of limitations period cuts across the many types of consumer complaints we investigate. A year goes by quickly for consumers who try their best to negotiate with business themselves before seeking outside assistance. Often the merchants make promises that are never kept and delay action for some time before consumers get frustrated enough to seek our help.

All too often, we see home improvement companies fail to complete or even begin the task for which they have been paid. Consumers can be left without the task completed and are not able, on their own, to recover money paid for the uncompleted work. And, certain home improvement cases take longer than others:

- Warranty Claims often have specific filing requirements and take an extended period of time for companies to resolve, running the clock before consumers seek assistance from our office;
- Driveway repairs that need revisions cannot be completed or repaired during the winter months;
- Roof replacements require that shingles settle during the summer heat, delaying the appearance of problems.

We have also investigated the case of a moving company that was unregistered and unlicensed and lost the consumers' belongings. The consumer's efforts to recover her belongings on her own led to the expiration of the one-year statute of limitations.

Several consumers have also filed complaints with our office alleging that they were signed up for car wash subscriptions without their knowledge, and the statute of limitations expired during the period in which they realized they were being charged and their attempted negotiations for refunds.

If the statute of limitations has passed by the time a consumer files a complaint with our office, we would not be able to issue a Civil Citation against the merchant.

At times, consumers initially file complaints with more well-known organizations or agencies that do not enforce local law or investigate individual cases, such as the Federal Trade Commission or the Better Business Bureau. Every year, we have consumers who have filed such cases, have not gotten satisfactory results, and then reach our doors when the 1-year statute of limitation has expired.

We strongly advocate for a three-year statute of limitations in order to assist the public in resolving these matters. We respectfully request that the Judicial Proceedings Committee give this bill a favorable report.