



**Testimony to the House Economic Matters Committee
HB413 Civil Actions - Consumer Contracts - Limitations Periods
Position: Favorable**

January 28, 2025

The Honorable CT Wilson, Chair
House Economic Matters Committee
Room 231, House Office Building
Annapolis, Maryland 21401
cc: Members, House Economic Matters

Honorable Chair Wilson and members of the committee:

Economic Action Maryland Fund (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights, equity and housing justice for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in support of HB431.

House Bill 431 prohibits contractual provisions in consumer agreements that shorten the statute of limitations below the period allowed by Maryland law. By doing so, it directly addresses the issues raised in *Ceccone v. Carroll Home Services, LLC* and provides critical protections for consumers.

Consumer contracts can be deliberately opaque. One area where we see many consumer complaints is in the area of home improvement, an area in which consumers may need urgent assistance and pay less attention to contracts.

HB431 applies to any goods or services that are for family, personal, or household use.

Specifically, the bill ensures:

- Clear Legal Standards: HB 431 creates a clear-cut rule invalidating all contractual

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provisions that shorten the statute of limitations below the state's statutory period.

- **Enhanced Consumer Protections:** The bill strengthens protections for consumers, many of whom may unknowingly agree to unfair terms or lack the resources to challenge them in court.
- **Alignment with Public Policy:** By declaring these provisions void as a matter of public policy, the bill prevents businesses from circumventing Maryland's statutory protections and ensures fair treatment in consumer transactions.

HB431 is good public policy. It ensures that contracts conform to state law, creates greater clarity in contracts, and holds businesses that violate the law accountable through the MDCPA.

For all these reasons, we support HB431 and urge a favorable report.

Best,

Marceline White
Executive Director

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