



House Bill 1298

Date: February 27, 2026

Committee: Economic Matters

Position: Favorable with Amendments

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

House Bill 1298 (HB 1298) takes an important step toward bringing transparency and consumer protections to the growing practice of third-party litigation financing. As litigation funding continues to expand, particularly in the consumer context, it is critical that Maryland establish clear guardrails to ensure that lawsuits are driven by the interests of the parties to the case—not by outside investors seeking to maximize returns. Codifying licensure, disclosure, and regulatory oversight will help protect consumers and preserve the fair and efficient administration of justice.

The Maryland Chamber supports the bill's focus on consumer litigation financing and its alignment with existing interpretations and enforcement actions of the Office of Financial Regulation. Clarifying in statute that these arrangements are subject to Maryland's consumer lending laws provides certainty for consumers, courts, and the regulated community.

We respectfully request adoption of a clarifying amendment to ensure the bill is narrowly tailored to consumer third-party litigation financing and does not inadvertently extend to commercial litigation financing arrangements. Specifically, the amendment would remove language on page 3, lines 17–21, which does not apply to consumer litigation funding. This clarification will help ensure the bill achieves its intended purpose without unintended consequences.

For these reasons, the Chamber respectfully requests a **favorable with amendments report** on **HB 1298**.