



CHIEF DEPUTY MAJORITY WHIP

Government, Labor, and Elections
Committee

Vice Chair
Democratic Caucus

THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 103 Consumer Protection - Consumer Contracts - Prohibited Waiver

Testimony by Delegate Vaughn Stewart
March 25, 2026 | Finance Committee

What the Bill Does

HB 103 protects Maryland consumers by prohibiting contract provisions that waive, limit, impair, or disclaim rights or enforcement mechanisms already guaranteed under State or Federal law. It clarifies that when such provisions appear in consumer contracts, they constitute an unfair, abusive, or deceptive trade practice and are therefore subject to enforcement and civil penalties. This bill ensures that statutory rights cannot be quietly stripped away in the fine print of a contract.

Why the Bill is Important

HB 103 is a vital step toward restoring fairness in the marketplace between individual consumers and powerful corporations. When Marylanders choose products or services, they do so based on transparent information—price, quality, safety—not on an implicit agreement to surrender their legal rights. Yet many standard form contracts buried in dense “take it or leave it” language strip away fundamental protections that the General Assembly and Congress have expressly provided.

Consumers rarely, if ever, have the time or legal expertise to parse lengthy contracts filled with complex legalese. As a result, corporations often exploit this reality to insert restrictive clauses that leave consumers unaware of their rights and unable to hold companies accountable. This dynamic undermines both individual justice and public confidence in the system.

HB 103 is consistent with and builds on consumer protections passed in the 2025 legislative session. Last year, the General Assembly passed House Bill 431, which prohibits consumer contracts from imposing a shorter statute of limitations for bringing a legal action than what Maryland law otherwise allows. Under HB 431, any provision that cuts the time to file a claim below the statutory period established by law is void and considered a violation of the Consumer Protection Act. That law, which becomes effective June 1, 2026, ensures that consumers are given a fair and consistent timeframe to pursue claims, regardless of what corporate fine print attempts to dictate.

These protections recognized that when corporations shorten the time for filing a claim below what the General Assembly has determined, it not only harms individual consumers but imperils the rule of law itself by undermining statutory protections consumers rely on. HB 103 advances that same principle more broadly by targeting all contractual provisions that would erode substantive rights already granted under law.

Consumers Should Not Have to Choose Between Rights and Participation in the Marketplace

Corporations often defend these clauses as necessary risk management. But risk should not be borne by the most vulnerable party simply because they lack negotiating power. Worse, when one company adopts harsh contract terms, competitors follow suit, effectively forcing consumers to choose between rights and access to essential goods and services. This “race to the bottom” leaves Marylanders with no meaningful choice—and that is not how a fair marketplace should function.

Even well-intentioned consumers with the resources to read contracts do not have the legal expertise to identify when their rights are being diminished, especially when the clauses are couched in legalese. HB 103 ensures that substantive protections written into statute remain enforceable in practice—accessible, transparent, and honored.

Accountability Through Enforcement Matters

HB 103 not only prohibits unfair contractual terms, it attaches real consequences: enforcement and civil penalties under Maryland’s Consumer Protection Act. This empowers the Attorney General and consumers alike to hold bad actors accountable, and sends a clear message that Maryland will not tolerate evasive contract tactics that strip away basic rights.

Why the Committee Should Vote Favorably

Every day, hardworking Marylanders click “agree,” check a box, or sign their name in good faith—believing they are protected by the laws this body has enacted. They should not later discover that these protections were quietly nullified by a clause no one reads or understands.

The General Assembly has spent decades enacting substantive consumer rights. It should be unacceptable for corporations to undermine those statutes through buried contractual language. HB 103 affirms a simple yet powerful principle: statutory rights are real rights and should remain real in practice.

HB 103 strengthens consumer confidence, supports honest businesses, and reinforces the integrity of Maryland law. For these reasons, I respectfully urge a favorable report.