

REGIONAL MANAGEMENT INC.

Bill Title: House Bill 11-5—Statute of Limitations—Civil Suits to Enforce Local Consumer Protection Codes

Committee: Judicial Proceedings Committee

Date: April 3, 2026

Position: Unfavorable

This testimony is offered on behalf of Regional Management, Inc. (RMI). For over 50 years, RMI, a family-owned and operated real estate business, has managed both residential and commercial rental properties in Baltimore City and Baltimore County. RMI is also a founding member of the Maryland Multi-Housing Association (MMHA).

House Bill 1105 seeks to alter the Statute of Limitations for a civil suit to enforce local consumer protection codes from its current time of 1 year and raise the enforcement time to 3 years.

While RMI understands that some cases may take more than 1 year to become viable consumer protection claims, **RMI is concerned that an increase in the statute of limitations will result in lengthy investigations by the local enforcement authorities, which may interfere with business operation.** The lack of uncertainty surrounding possible consumer protection investigations is concerning to real property owners, managers and tenants alike.

For example, in Baltimore City, the Department of Consumer Protection and Business Licensing is the central agency responsible for overseeing the enforcement of consumer protection laws. The Department's website states that it "investigates businesses that may be operating with an improper license." With the advent of the City's myriad of licensing programs, an investigation of this type should take less than one year to complete. With a 3-year statute of limitation in place, the investigation may drag out leaving a property in limbo for longer than necessary.

Additionally, a massive fire in a residential building may spark a consumer protection investigation and take a much longer time to investigate. This bill does not consider how long a property owner may have to wait to begin the rebuild of their residential real estate if a consumer protection investigation drags on for 3 years. Similarly, investigations of unfair and deceptive trade practices may also vary in the amount of time a particular investigation may take, but 3 years is a long time to wait while local authorities determine whether a trade practice was an alleged violation.

Thus, without addressing issues surrounding investigation length or specific timeframes for different types of local consumer protection violations, RMI remains **UNFAVORABLE** on this Bill.



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