

Senate JPR on HB1105 EconAction FAV 2025.docx.pdf

Uploaded by: Marceline White

Position: FAV



Testimony to the Senate Judicial Proceedings Committee
HB1105: Statute of Limitations-Prosecutions or Enforcement of Local Consumer Protection
Statutes
Position: Favorable

April 3, 2026

The Honorable Will Smith, Chair
Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Committee:

Economic Action Maryland Fund writes in support of HB1105. HB1105 extends the statute of limitations for the prosecution or enforcement of a consumer protection code for which relief, a fine, or penalty is provided. The legislation extends the statute from one year to three years. This is a common sense change, in line with what other jurisdictions are doing, and is supported by local consumer protection bureaus.

Effective consumer protection cases often involve long, complex investigations. It can take years to properly build and prosecute a consumer protection matter. In recognition of the complexity of these cases and the time-consuming nature of consumer protection investigations and lawsuits, comparable jurisdictions in other states are not subject to a statute of limitations for consumer protection actions.

A one-year statute of limitations may be sufficient in simple cases such as parking tickets or suits involving only a single violation. For complex consumer protection cases, however, a one-year statute of limitations, with no discovery rule, would only incentivize corporations to conceal bad conduct and then argue, after the conduct comes to light, that any action was time barred.

For all these reasons, we support HB1105 and ask for a favorable report.

Best,

Marceline White
Executive Director

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Economic Action Maryland Fund is a 501(c)(3) nonprofit organization and your contributions are tax deductible to the extent allowed by law.



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HB1105-JPR-FAV.pdf

Uploaded by: Nina Themelis

Position: FAV



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

HB 1105

April 3, 2026

TO: Members of the Senate Judicial Proceedings Committee
FROM: Nina Themelis, Director, Mayor's Office of Government Relations
RE: House Bill 1105 - Statute of Limitations - Civil Suits to Enforce Local Consumer Protection Codes

POSITION: SUPPORT

Chair Smith, Vice Chair Waldstreicher, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 1105.

Baltimore City's local consumer protection ordinance allows the City to investigate and bring actions against businesses that engage in unfair, deceptive, or abusive trade practices that harm Baltimore residents.

Like similar laws in other local jurisdictions, Baltimore's consumer protection ordinance gives the City subpoena power to conduct comprehensive investigations of potential bad actors. These investigations ensure that the City can accurately target bad behavior, take the time to fully understand the magnitude of any illegal conduct, and bring actions based on a strong evidentiary foundation.

In recognition of the complexity and time-consuming nature of consumer protection investigations and lawsuits, many comparable jurisdictions are not subject to any statute of limitations for consumer protection actions. The Maryland Attorney General's office has no applicable statute of limitations for administrative actions enforcing the state Consumer Protection Act. In addition, neither Washington DC nor Chicago is subject to a statute of limitations for their local consumer enforcement actions. Pennsylvania and New York both have six years to bring consumer protection claims.

Unlike these jurisdictions, under current Maryland law Baltimore City has **only one year** from the date of a violation to bring a consumer protection enforcement action. In recent months, this short limitations period has limited our ability to protect elderly residents who have been victims of crypto scams. It has also hamstrung our ability to force fintech payday lenders from complying with applicable interest rate limits and other consumer protections, narrowed our challenge to practices that target and exploit vulnerable gamblers, and ensure that predatory debt buyers are not abusing Baltimore consumers in collections.

HB 1105 changes the limitations period for local consumer protection actions to three years from the date the government knew or should have known that a violation occurred. This change aligns a local government's statute of limitations to the period already applied to comparable private lawsuits in Maryland, including private actions under the Maryland Consumer Protection Act. Because the bill enacts a limitations period consistent with private rights of action, and shorter than enforcement actions brought by the state, it will impose no new obligations, record keeping or otherwise, on Maryland businesses.

It must be emphasized that the "knew or should have known" language, also known as the "discovery rule," is already the standard for private cases in Maryland, including negligence or consumer protection actions. The discovery rule applies to numerous government enforcement actions, including actions brought by the Maryland Department of the Environment. As such, it does not threaten to extend a statute of limitations period indefinitely, as Maryland courts have repeatedly held that a plaintiff relying on the discovery rule must demonstrate that they had exercised reasonable diligence in identifying the legal violations its challenging. In this context, the discovery rule recognizes that the impact of an unfair, deceptive, or abusive trade practice is not always immediately apparent, or that it may take time to fully understand the scope of the wrongdoing. This is particularly important for local governments, which are often not immediately notified when there is a consumer protection violation in its jurisdiction.

For these reasons, the BCA respectfully requests a **favorable** report on HB 1105.

HB1105-JPR_MACo_SUP.pdf

Uploaded by: Sarah Sample

Position: FAV



House Bill 1105

Statute of Limitations - Civil Suits to Enforce Local Consumer Protection Codes

MACo Position: **SUPPORT**

To: Judicial Proceedings Committee

Date: April 3, 2026

From: Sarah Sample

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1105. This bill establishes a timeline of three years for a local jurisdiction to file a claim against an entity in violation of a local consumer protection code. This timeline begins at the time the offense was committed.

Protecting residents from predatory companies, which take advantage of consumers in need of services, is necessary to ensure communities have access to goods and services without fear of being exploited. Counties are currently authorized, in conjunction with the Attorney General's Office, to carry out various means of protection for distressed consumers in their jurisdictions. Specifically, local governments can enact local consumer protection codes and establish enforcement divisions within the county government to address claims from residents.

The provisions of this bill enable these local enforcement divisions with a longer window to effectively investigate claims as well as assign penalties and fines to entities in violation of local codes. There can be a great deal of research and discovery required to resolve these types of issues on behalf of residents who, often, have been the victim of systemic industry abuse and neglect. This is an authority and responsibility that local jurisdictions appreciate and do not take lightly. A longer window will undoubtedly enable counties to resolve these issues – especially more complicated matters – with even greater integrity as they defend the interests of community members.

As additional counties elect to handle these claims locally, the three-year window will ensure they have the necessary time to complete a thorough investigation and assign appropriate penalties on behalf of residents. For these reasons, MACo urges a **FAVORABLE** report for HB 1105.

HB1105 - MBA - UNF in JPR - GR26.pdf

Uploaded by: Evan Richards

Position: UNF



HB 1105 – Statute of Limitations - Civil Suits to Enforce Local Consumer Protection Codes

Committee: Senate Judicial Proceedings Committee

Date: April 3, 2026

Position: Unfavorable

The Maryland Bankers Association (MBA) **OPPOSES** HB 1105. This legislation, as amended, extends the statute of limitations for civil suits to enforce local consumer protection codes from 1 year to 3 years from the date that local authorities knew or reasonably should have known that a violation occurred. Lengthening this statute of limitations will ultimately result in increased costs for Maryland businesses.

Maryland banks operate within a highly regulated environment and are subject to a broad range of consumer protection requirements at the federal, state, and local levels. Financial institutions are committed to delivering products and services that adhere to these regulatory standards, working diligently to maintain full compliance.

MBA is concerned that the phrase “knew or reasonably should have known” in on Page 2, Line 2 could expose banks and other businesses to lawsuits long after an alleged violation has occurred. This expanded exposure period would increase the cost of doing business in jurisdictions with local consumer protection codes. For instance, businesses may feel compelled to extend their record-retention policies to preserve documentation needed to defend against potential claims. Extending these policies would, in turn, result in higher costs for data storage and enhanced information-security measures.

Increasing operational costs can significantly hinder a business’s ability to remain competitive and sustainable. Accordingly, MBA urges issuance of an **UNFAVORABLE** report on HB 1105.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

JPR.4.3. HB1105 UNF.pdf

Uploaded by: Hugo Cantu

Position: UNF



Bill: **HB 1105 - Statute of Limitations - Civil Suits to Enforce Local Consumer Protection Codes**

Committee: **Judicial Proceedings**

Date: **April 3, 2026**

Position: **Unfavorable**

The Apartment and Office Building Association (AOBA) of Metropolitan Washington is a nonprofit trade association representing the owners and managers of more than 23 million square feet of commercial office space and 167,000 apartment rental units in Montgomery and Prince George's counties. AOBA submits the following testimony in opposition to House Bill 1105.

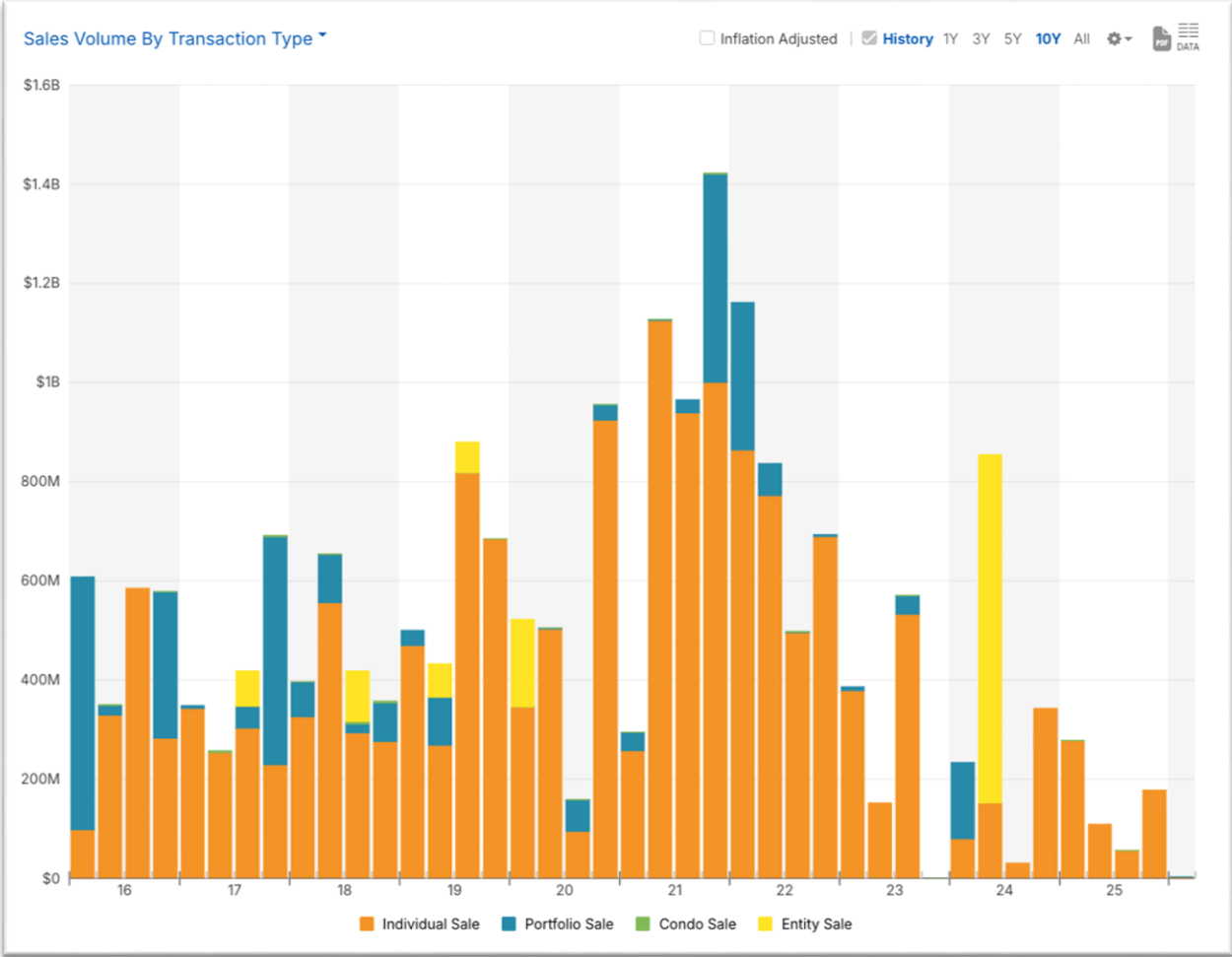
HB 1105 would extend the statute of limitations from one to three years with an adjoining, codified discovery rule for a civil suit to enforce certain local consumer protection codes.

AOBA did not take an official position on the bill for the House hearing scheduled on March 5, 2025. However, during the hearing, proponents of the bill used the multifamily housing industry as the reason for the bill. The housing industry is already a heavily regulated market in which housing providers must conform to local, state, and federal laws.

AOBA takes concern with "*knew or reasonably should have known*" found at the top of page 2, line 2, that would expand a jurisdiction's ability to subjectively interpret when a claim should be made against a housing provider. Moreover, an increase in the statute of limitations will expose housing providers to a greater volume of claims driving up legal cost. Those costs do not disappear – they are passed directly to tenants through rent increases.

For these reasons, AOBA urges an unfavorable report on House Bill 1105. For more information, please contact Brian Anleu at banleu@aoba-metro.org.

10-Year Multifamily Property Sales Montgomery & Prince George's Counties



HB1105-RegionalMgmt Unfavorable.pdf

Uploaded by: Katherine Howard

Position: UNF

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.



Katherine Kelly Howard, Esq.
General Counsel for Regional Management, Inc.
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MMHA - 2026 - HB1105 - INF.pdf

Uploaded by: Matthew Pipkin

Position: INFO



House Bill 1105

Committee: Judicial Proceedings

Bill: House Bill 1105 Statute of Limitations - Civil Suits to Enforce Local Consumer Protection Codes

Date: 4/3/2026

Position: Informational

The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA's membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

House Bill 1105 ("HB 1105") seeks to extend the statute of limitations from one to three years with an adjoining, codified discovery rule for a civil suit to enforce certain local consumer protection codes.

During the bill hearing before the House Judiciary Committee, proponents emphasized that the extended statute of limitations established under HB 1105 could be used in enforcement actions involving housing providers. That testimony raised concerns within the multifamily housing industry regarding how such an expanded enforcement window might be applied.

Following the House hearing, MMHA engaged in discussions with the Baltimore City Office of the Solicitor, including City Solicitor Ebony Thompson. During those discussions, MMHA was advised that the intent of the extended statute of limitations is to address systemic and widespread housing violations, not to target individual housing providers for isolated or one-off incidents.

This clarification is important. Housing providers operate large and complex properties where issues may arise despite good-faith compliance efforts and prompt remediation practices. Application of an extended statute of limitations to isolated matters could create prolonged legal uncertainty and discourage continued investment in Maryland's rental housing stock. Conversely, focusing enforcement on egregious, repeated, or systemic violations appropriately directs regulatory resources toward actors whose conduct threatens resident safety and housing quality.

MMHA appreciates the clarification provided by the Baltimore City Solicitor's Office and respectfully shares this information with the Committee to ensure legislative intent is clearly understood as deliberations on HB 1105 continue.

Please contact Matthew Pipkin, Jr. at (443) 995-4342 or mpipkin@mmhaonline.org with any questions.