



**HB 1105 – Statute of Limitations - Prosecution or Enforcement of Local Consumer Protection Codes**

**Committee:** House Judiciary Committee

**Date:** March 5, 2026

**Position:** Unfavorable

The Maryland Bankers Association (MBA) **OPPOSES** HB 1105. This legislation extends the statute of limitations for the prosecution and enforcement of 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 Line 19 could expose banks and other businesses to lawsuits or enforcement actions 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.*