

SENATE BILL 136

I3, D3

2lr0388

By: **Senator Zirkin**

Introduced and read first time: January 18, 2012

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Consumer Contracts – Payment of Legal Fees**

3 FOR the purpose of authorizing a consumer contract to contain a provision for the
4 payment of legal fees by the losing party in a certain legal action only if the
5 provision is equally applicable to both parties to the contract; defining a certain
6 term; providing for the application of this Act; and generally relating to
7 provisions for the payment of legal fees in consumer contracts.

8 BY adding to

9 Article – Commercial Law
10 Section 14–1324
11 Annotated Code of Maryland
12 (2005 Replacement Volume and 2011 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Commercial Law**

16 **14–1324.**

17 (A) IN THIS SECTION, “CONSUMER CONTRACT” MEANS A CONTRACT
18 INVOLVING “CONSUMER CREDIT”, “CONSUMER DEBTS”, “CONSUMER GOODS”,
19 “CONSUMER REALTY”, OR “CONSUMER SERVICES”, AS DEFINED IN § 13–101 OF
20 THIS ARTICLE.

21 (B) A CONSUMER CONTRACT MAY CONTAIN A PROVISION FOR THE
22 PAYMENT OF LEGAL FEES BY THE LOSING PARTY IN A LEGAL ACTION INVOLVING
23 THE PARTIES TO THE CONSUMER CONTRACT ONLY IF THE PROVISION IS
24 EQUALLY APPLICABLE TO BOTH PARTIES TO THE CONSUMER CONTRACT.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
2 consumer contracts entered into on or after the effective date of this Act.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2012.