

# SENATE BILL 540

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CF 3lr2897

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By: **The President (By Request – Office of the Attorney General)**

Introduced and read first time: February 3, 2023

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Human Relations – Civil Rights Enforcement – Powers of the Attorney General**

3 FOR the purpose of authorizing the Attorney General to investigate, prosecute, and  
4 remediate certain civil rights violations under certain circumstances and in a certain  
5 manner; authorizing the Attorney General to intervene in certain causes of action  
6 under certain circumstances; establishing certain penalties and authorizing the  
7 Attorney General to obtain certain relief in certain civil actions, conciliation  
8 agreements, and settlement agreements; authorizing the Attorney General to  
9 recover certain investigation and litigation costs in a certain manner; establishing  
10 the Civil Rights Enforcement Fund as a special, nonlapsing fund; requiring the  
11 Attorney General to coordinate with the Maryland Commission on Civil Rights in  
12 areas of overlapping jurisdiction; and generally relating to civil rights enforcement.

13 BY repealing and reenacting, without amendments,  
14 Article – State Government  
15 Section 20–101(a), (b), and (d)  
16 Annotated Code of Maryland  
17 (2021 Replacement Volume and 2022 Supplement)

18 BY adding to  
19 Article – State Government  
20 Section 20–1040 through 20–1048 to be under the new part “Part III. Enforcement  
21 by the Attorney General”  
22 Annotated Code of Maryland  
23 (2021 Replacement Volume and 2022 Supplement)

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

26 **Article – State Government**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 20–101.

2 (a) In Subtitles 1 through 11 of this title the following words have the meanings  
3 indicated.

4 (b) “Commission” means the Commission on Civil Rights.

5 (d) “Discriminatory act” means an act prohibited under:

6 (1) Subtitle 3 of this title (Discrimination in Places of Public  
7 Accommodation);

8 (2) Subtitle 4 of this title (Discrimination by Persons Licensed or Regulated  
9 by Maryland Department of Labor);

10 (3) Subtitle 5 of this title (Discrimination in Leasing of Commercial  
11 Property);

12 (4) Subtitle 6 of this title (Discrimination in Employment);

13 (5) Subtitle 7 of this title (Discrimination in Housing); or

14 (6) Subtitle 8 of this title (Aiding, Abetting, or Attempting Discriminatory  
15 Act; Obstructing Compliance).

16 **20–1038. RESERVED.**

17 **20–1039. RESERVED.**

18 **PART III. ENFORCEMENT BY THE ATTORNEY GENERAL.**

19 **20–1040.**

20 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS  
21 INDICATED.

22 (B) “ATTORNEY GENERAL” MEANS THE ATTORNEY GENERAL AND THE  
23 OFFICE OF THE ATTORNEY GENERAL.

24 (C) (1) “CIVIL RIGHTS VIOLATION” MEANS AN ACT OF DISCRIMINATION  
25 PROHIBITED UNDER THE U.S. CONSTITUTION, THE MARYLAND CONSTITUTION, OR  
26 STATE OR FEDERAL LAW.

27 (2) “CIVIL RIGHTS VIOLATION” INCLUDES A DISCRIMINATORY ACT AS  
28 DEFINED IN § 20–101 OF THIS TITLE.

1 **20-1041.**

2 (A) THE ATTORNEY GENERAL MAY INVESTIGATE, PROSECUTE, AND  
3 REMEDIATE, ON BEHALF OF THE RESIDENTS OF THE STATE, ANY CONDUCT THAT  
4 CONSTITUTES A CIVIL RIGHTS VIOLATION.

5 (B) THE ATTORNEY GENERAL MAY NOT BRING A CIVIL RIGHTS ACTION  
6 UNDER THIS PART:

7 (1) ON BEHALF OF AN INDIVIDUAL; OR

8 (2) AGAINST A POLITICAL SUBDIVISION.

9 (C) NOTHING IN THIS PART MAY BE INTERPRETED TO IMPAIR THE RIGHTS  
10 AND POWERS OF THE COMMISSION UNDER THIS TITLE.

11 **20-1042.**

12 (A) IF THE ATTORNEY GENERAL HAS REASONABLE CAUSE TO BELIEVE  
13 THAT A PERSON IS ENGAGED IN DISCRIMINATION PROHIBITED BY THE U.S.  
14 CONSTITUTION, THE MARYLAND CONSTITUTION, OR STATE OR FEDERAL LAW, THE  
15 ATTORNEY GENERAL MAY COMMENCE A CIVIL ACTION IN ACCORDANCE WITH THIS  
16 PART.

17 (B) THE CIVIL ACTION SHALL BE INSTITUTED IN THE CIRCUIT COURT FOR  
18 THE COUNTY WHERE:

19 (1) THE ALLEGED VIOLATOR RESIDES OR HAS A PRINCIPAL PLACE OF  
20 BUSINESS; OR

21 (2) THE ALLEGED VIOLATION OCCURRED.

22 **20-1043.**

23 (A) TO OBTAIN RELIEF WITH RESPECT TO AN ALLEGED CIVIL RIGHTS  
24 VIOLATION, AN ACTION SHALL BE COMMENCED NOT LATER THAN 3 YEARS AFTER  
25 THE DISCOVERY, OCCURRENCE, OR TERMINATION, WHICHEVER OCCURS LAST, OF  
26 THE ALLEGED CIVIL RIGHTS VIOLATION.

27 (B) TO OBTAIN RELIEF WITH RESPECT TO AN ALLEGED BREACH OF A  
28 CONCILIATION OR SETTLEMENT AGREEMENT ENTERED INTO UNDER THIS TITLE, AN

1 ACTION SHALL BE COMMENCED NOT LATER THAN 3 YEARS AFTER THE DISCOVERY,  
2 OCCURRENCE, OR TERMINATION OF THE ALLEGED BREACH.

3 **20-1044.**

4 (A) BEFORE INITIATING A CIVIL ACTION, THE OFFICE OF THE ATTORNEY  
5 GENERAL SHALL CONDUCT A PRELIMINARY INVESTIGATION TO DETERMINE  
6 WHETHER THERE IS REASONABLE CAUSE TO BELIEVE THAT ANY PERSON  
7 COMMITTED A CIVIL RIGHTS VIOLATION.

8 (B) DURING ANY EXAMINATION, INVESTIGATION, OR HEARING, THE OFFICE  
9 OF THE ATTORNEY GENERAL MAY:

10 (1) SUBPOENA WITNESSES;

11 (2) ADMINISTER OATHS;

12 (3) EXAMINE INDIVIDUALS UNDER OATH; AND

13 (4) COMPEL PRODUCTION OF RECORDS, BOOKS, PAPERS,  
14 CONTRACTS, AND OTHER DOCUMENTS.

15 (C) INFORMATION OBTAINED UNDER A SUBPOENA DESCRIBED UNDER THIS  
16 SECTION IS NOT ADMISSIBLE IN A LATER CRIMINAL PROCEEDING AGAINST THE  
17 PERSON WHO PROVIDES THE EVIDENCE.

18 (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,  
19 THE ATTORNEY GENERAL MAY COMMENCE A CIVIL ACTION UNDER THIS PART.

20 (2) IF THE ATTORNEY GENERAL OBTAINS A CONCILIATION OR  
21 SETTLEMENT AGREEMENT UNDER THIS PART, NO ACTION MAY BE FILED UNDER  
22 THIS PART WITH RESPECT TO THE ALLEGED CONDUCT THAT FORMS THE BASIS FOR  
23 THE COMPLAINT COVERED BY THE AGREEMENT EXCEPT FOR THE PURPOSE OF  
24 ENFORCING THE TERMS OF THE AGREEMENT.

25 (E) THE ATTORNEY GENERAL MAY INTERVENE IN A CIVIL ACTION  
26 CONCERNING AN ALLEGED CIVIL RIGHTS VIOLATION, IF:

27 (1) THE ATTORNEY GENERAL CERTIFIES THAT THE CASE IS OF  
28 GENERAL IMPORTANCE; AND

29 (2) TIMELY APPLICATION IS MADE.

1 **20-1045.**

2 (A) THE ATTORNEY GENERAL MAY SEEK AN INJUNCTION TO PROHIBIT A  
3 PERSON THAT HAS ENGAGED OR IS ENGAGING IN A CIVIL RIGHTS VIOLATION, FROM  
4 CONTINUING OR ENGAGING IN THE VIOLATION.

5 (B) IN A REQUEST FOR INJUNCTIVE RELIEF BROUGHT UNDER THIS  
6 SECTION, THE ATTORNEY GENERAL IS NOT REQUIRED TO:

7 (1) POST BOND;

8 (2) ALLEGE OR PROVE THAT AN ADEQUATE REMEDY AT LAW DOES  
9 NOT EXIST; OR

10 (3) ALLEGE OR PROVE THAT SUBSTANTIAL OR IRREPARABLE DAMAGE  
11 WOULD RESULT FROM ANY CONDUCT ALLEGED.

12 (C) THE OFFICE OF THE ATTORNEY GENERAL SHALL SERVE NOTICE OF  
13 THE GENERAL RELIEF SOUGHT ON THE ALLEGED VIOLATOR AT LEAST 7 DAYS  
14 BEFORE THE ACTION FOR AN INJUNCTION IS FILED.

15 (D) THE COURT MAY ENTER ANY ORDER OF JUDGMENT NECESSARY TO:

16 (1) PREVENT THE USE BY A PERSON OF ANY PROHIBITED PRACTICE;

17 (2) RESTORE TO A PERSON ANY MONEY, REAL PROPERTY, OR  
18 PERSONAL PROPERTY ACQUIRED BY MEANS OF ANY PROHIBITED PRACTICE; OR

19 (3) APPOINT A RECEIVER TO PREVENT WILLFUL VIOLATION OF THIS  
20 TITLE.

21 **20-1046.**

22 (A) IN ANY CIVIL ACTION BROUGHT UNDER THIS PART, OR ANY  
23 CONCILIATION OR SETTLEMENT AGREEMENT ENTERED INTO UNDER THIS PART,  
24 THE ATTORNEY GENERAL MAY OBTAIN AS A REMEDY EQUITABLE RELIEF,  
25 INCLUDING:

26 (1) A PERMANENT INJUNCTION;

27 (2) A PRELIMINARY INJUNCTION;

28 (3) A TEMPORARY RESTRAINING ORDER; OR

1           **(4) ANY OTHER ORDER, INCLUDING:**

2                   **(I) AN ORDER ENJOINING THE DEFENDANT FROM ENGAGING IN**  
3 **CIVIL RIGHTS VIOLATIONS; OR**

4                   **(II) AN ORDER REQUIRING ANY APPROPRIATE ACTION.**

5           **(B) (1) IN ANY CIVIL ACTION BROUGHT UNDER THIS PART, OR ANY**  
6 **CONCILIATION OR SETTLEMENT AGREEMENT ENTERED INTO UNDER THIS PART,**  
7 **THE ATTORNEY GENERAL MAY OBTAIN A CIVIL PENALTY TO VINDICATE THE PUBLIC**  
8 **INTEREST.**

9                   **(2) A CIVIL PENALTY IMPOSED UNDER THIS SUBSECTION SHALL BE IN**  
10 **AN AMOUNT NOT EXCEEDING:**

11                   **(I) \$10,000 FOR A FIRST VIOLATION; OR**

12                   **(II) \$25,000 FOR A SECOND OR SUBSEQUENT VIOLATION;**

13                   **(3) THE FINES PROVIDED FOR IN THIS SUBSECTION:**

14                   **(I) ARE CIVIL PENALTIES AND ARE RECOVERABLE BY THE**  
15 **STATE IN A CIVIL ACTION; AND**

16                   **(II) SHALL BE DEPOSITED IN THE CIVIL RIGHTS ENFORCEMENT**  
17 **FUND ESTABLISHED UNDER § 20-1047 OF THIS PART.**

18           **(C) IN ANY CIVIL ACTION BROUGHT UNDER THIS PART, OR ANY**  
19 **CONCILIATION OR SETTLEMENT AGREEMENT ENTERED INTO UNDER THIS PART,**  
20 **THE ATTORNEY GENERAL MAY OBTAIN RESTITUTION, INCLUDING A REQUIREMENT**  
21 **THAT THE VIOLATOR OR ALLEGED VIOLATOR:**

22                   **(1) REIMBURSE THE COSTS OF THE INVESTIGATION AND LITIGATION**  
23 **TO THE ATTORNEY GENERAL AND THE COMMISSION;**

24                   **(2) MAKE RESTITUTION TO ANY AGGRIEVED PERSON OF MONEY,**  
25 **PROPERTY, OR ANY OTHER THING RECEIVED FROM THE AGGRIEVED PERSON IN**  
26 **CONNECTION WITH A VIOLATION OR AN ALLEGED VIOLATION OF THIS TITLE;**

27                   **(3) PAY ECONOMIC DAMAGES TO AN AGGRIEVED PERSON; OR**

28                   **(4) POST A PERFORMANCE BOND OR OTHER SECURITY.**

1 20-1047.

2 (A) IN THIS SECTION, "FUND" MEANS THE CIVIL RIGHTS ENFORCEMENT  
3 FUND.

4 (B) THERE IS A CIVIL RIGHTS ENFORCEMENT FUND.

5 (C) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR:

6 (1) CIVIL RIGHTS ENFORCEMENT ACTIVITIES OF THE ATTORNEY  
7 GENERAL AND THE COMMISSION; AND

8 (2) EDUCATION AND OUTREACH IN THE COMMUNITY RELATING TO  
9 CIVIL RIGHTS VIOLATIONS.

10 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
11 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

12 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
13 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

14 (E) THE FUND CONSISTS OF:

15 (1) CIVIL PENALTIES DEPOSITED INTO THE FUND UNDER § 20-1046  
16 OF THIS PART;

17 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

18 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR  
19 THE BENEFIT OF THE FUND.

20 (F) THE FUND MAY BE USED ONLY:

21 (1) TO REIMBURSE THE ATTORNEY GENERAL AND THE COMMISSION  
22 FOR COSTS ASSOCIATED WITH INVESTIGATING AND PROSECUTING CIVIL RIGHTS  
23 VIOLATIONS; AND

24 (2) EDUCATION AND OUTREACH IN THE COMMUNITY RELATING TO  
25 CIVIL RIGHTS VIOLATIONS.

26 (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND  
27 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

1           **(2) INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE**  
2 **GENERAL FUND OF THE STATE.**

3           **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**  
4 **WITH THE STATE BUDGET.**

5           **(I) MONEY OF THE FUND IS NOT SUBJECT TO TRANSFER BY BUDGET**  
6 **AMENDMENT.**

7           **(J) MONEY EXPENDED FROM THE FUND FOR THE ENFORCEMENT**  
8 **ACTIVITIES OF THE ATTORNEY GENERAL AND THE COMMISSION IS SUPPLEMENTAL**  
9 **TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT WOULD**  
10 **OTHERWISE BE APPROPRIATED FOR THE ATTORNEY GENERAL OR THE**  
11 **COMMISSION.**

12 **20-1048.**

13           **(A) IN AREAS OF OVERLAPPING JURISDICTION, THE ATTORNEY GENERAL**  
14 **AND THE COMMISSION SHALL COORDINATE REFERRALS TO MINIMIZE DUPLICATION**  
15 **OF EFFORT AND PROMOTE COLLABORATION.**

16           **(B) (1) THE ATTORNEY GENERAL, IN COORDINATION WITH THE**  
17 **COMMISSION, SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.**

18           **(2) THE ATTORNEY GENERAL SHALL PUBLISH PROPOSED**  
19 **REGULATIONS UNDER THIS SUBSECTION FOR NOTICE AND COMMENT ON OR BEFORE**  
20 **JULY 1, 2024.**

21           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 2023.