



2019 Legislative Wrap-Up

Successes

CASH Campaign earns \$200,000 annual state grant ([HB1411](#)). This bill provides The CASH Campaign with a \$200,000 state grant to expand our free tax preparation and EITC outreach efforts. Research shows that for every \$1 spent on free tax preparation, \$127 is generated in economic activity in the local economy. Therefore, [this state investment can help leverage roughly \\$13 million in EITC refunds that are currently left unclaimed](#). Thank you to our tireless bill sponsor Delegate Stephanie Smith, her staff, and our partners for working hard to make sure all Marylanders who qualify for the EITC actually claim it! In addition to the CASH Campaign Grant bill, the General Assembly voted to include funding of \$200,000 in the FY 2020 Budget. Thank you to our champions Delegate Maggie McIntosh and Senator Bill Ferguson!

Tax Reform and Waiver of Penalties: The CASH Campaign and others approached the IRS to request penalty forgiveness given all of the changes from federal tax reform. Our hope is to protect individuals from penalties that they may incur from not properly withholding throughout the year. The IRS heard our call and will waive penalties for many whose tax withholding and estimated tax payments fell short in 2018. Read the IRS press release [here](#).

A win for foster youth: Access to ABLE accounts ([HB1283](#) / [SB0732](#)). Previously, ABLE-eligible foster youth were unable to open ABLE accounts while they are in care, because ABLE Accounts are considered “property.” Department of Human Services (DHS) would have to petition the court to get power over property to create each account. Now, DHS can more easily open ABLE accounts for eligible foster youth.

Supporting YouthWorks: Last year, we supported Baltimore City’s YouthWorks Program by offering a Money Mentor Initiative, which is a peer-to-peer financial education program to ensure YouthWorks participants leave with the financial tools they need to succeed in the future. Although CASH runs this Initiative through private funding, we supported a funding increase for YouthWorks in the upcoming year, which received an additional \$1 million appropriation this year.

Transportation access for low-income residents ([HB0923](#) / [SB0642](#)). CASH was proud to support a bill to create a state-level task force to study transportation access for low-to-moderate income residents. The task force will be staffed by Maryland Department of Transportation and will make annual recommendations to the General Assembly on what is studied. We hope this will spur affordable and reliable public transportation as well as eliminate roadblocks for low-to-moderate income individuals in accessing work, education and training, health care, and basic necessities.

Added protections against predatory for-profit schools. CASH was happy to support to our partners at [Maryland Consumers Rights Coalition](#) (MCRC) on the following bills:

Regulations of for-profit colleges ([HB0464](#) / [SB0399](#)): Students who attend for-profit institutions of higher education often face higher debt burdens, along with poor completion and employment rates. Some for-profit colleges have engaged in predatory enrollment practices targeting low-income students, particularly in communities of color. This bill requires these institutions to inform students of the cost, likelihood of professional licensure and employment rates, as well as median salary rates of past graduates.

Preventing abuse of non-profit status ([HB0461](#) / [SB0400](#)): For-profit institutions across the U.S. have started to skirt regulations by posing as non-profit organizations. This bill prevents a for-profit institution from falsely claiming a non-profit status.

“Summer SNAP” provides children access to food while not in school ([HB0338](#) / [SB0218](#))

CASH supported our partners at [No Kid Hungry, Maryland](#) in their effort to allow Maryland to participate in “Summer SNAP”. This program provides families who are currently utilizing SNAP, the opportunity to receive an additional benefit per child during the months or breaks when school is out in order to supplement the free or reduced meals their children would have received while in school.

Helping Reduce the Cost of Prescriptions Drugs ([HB0768](#) / [SB0759](#)): CASH was happy to support our partners at [Maryland Health Care for All](#) in the creation of a Prescription Drug Affordability Board this bill that would create a drug affordability board which would have the power to assist in reducing the financial burden of prescription drugs in Maryland. This builds upon Maryland's successful tradition of health care cost scrutiny and protects low- to moderate-income individuals and families from unnecessary price-hikes related to their prescription medications.

Unfinished Business

EITC Expansion ([HB0584](#) / [SB0263](#)) and ([HB0585](#) / [SB0262](#)): The CASH Campaign of Maryland attempted to pass two bills this legislative session where one bill would expand access to the EITC by increasing the maximum income requirement for the Credit and while the other would increase the value of Maryland's Earned Income Tax Credit ("EITC"). By increasing the value and eligibility of the EITC for single filers, Maryland has the opportunity to invest in Marylanders who need it most. We will come back next year and continue to fight for a more fuller state EITC for single filers.

Regulating Check Cashers [HB 1216](#): Currently, Maryland only regulates check cashing businesses which charge over a certain fee. This bill would require all check cashing institutions to be licensed by the State, increase the fee to register in order to fund financial education, and require check cashers to post the hotline for the Commissioner of Financial Regulation for customers to make complaints if needed.

Auto Insurance Reform: CASH continued its effort to eliminate non-driving-related factors in setting auto-insurance rates. The following bills did not pass, but we hope to continue this work in the future. See more information from MCRC [here](#).

Zip code ([HB 949](#)): This bill would eliminate the use of zip code in setting auto insurance rates. Due to both recent and historic housing and mortgage lending discrimination, the practice of using zip code as a factor in setting auto insurance rates, disproportionately harms low-income Black communities.

Education and Occupation ([HB 329](#)/[SB 233](#)) Currently, insurance companies charge higher rates to those with lower educational attainment, and those engaged in working class professions.

Credit ([HB 351](#) / [SB 235](#)) This bill would eliminate the use of credit scores in auto insurance rate setting.

Debt Exemption Reform ([HB1256](#)/[SB0772](#)): 42,586 Marylanders had their wages garnished this year. Maryland law sets the amount of wages that an individual may keep from garnishment. Unfortunately, Maryland's current law is one of the worst in the region. We have been working for a number of years to change that, and will continue this effort in the future. More information from MCRC is available [here](#).

Fines & Fees Reform: CASH weighed in on a number of bills which call for the elimination of driver's license and vehicle registration suspension due to unpaid fines, fees, and taxes. We believe when a low-income person's registration or license is suspended, it impacts their ability to get to and from work, medical appointments, childcare, and makes it even harder for them to pay their debt. While none of the following bills passed, we feel we joined our partners in helping push the conversation about the impact of municipal debt on low-income families. To learn more about the impact fines and fees have on low-income Marylanders, check out [this report](#) from Job Opportunities Task Force, and [this one](#) from MCRC.

Income taxes ([HB 241](#)) would prevent the MVA from barring license and registration renewal based off of unpaid income taxes that are less than \$10,000.

Video tolls ([HB 870](#) / [SB 281](#)) would prevent drivers licenses from being suspended due to failure to pay video tolls.

Civil fines and court fees ([HB 1267](#)/[SB 925](#)) would prevent drivers licenses from being suspended due failure to pay unpaid fines or court fees.