

2020 Legislative Wrap-Up

The 2020 legislative session ended abruptly for the first time since the Civil War, to reduce the spread of COVID-19. Leadership is considering having a special session at some point to finish legislative business, but that is unconfirmed.

Successes

Check Cash Service Registration (HB 1196/ SB 939): This bill targeted the estimated 500 businesses that were not registered as check cashing services with the State of Maryland. Under this new legislation, businesses must register with the Commissioner if check cashing is incidental to other business activities, cannot charge more than 1.5% of fees, must give a receipt, post fees, and how to report comments or complaints. This legislative win ensures consumer safety and that vulnerable populations do not pay more for financial access.

Financial Protections for Elders and Vulnerable Adults (SB 407): Older Marylanders are vulnerable to exploitation by means of debt collection, identity theft, imposter scams, and predatory financial institutions. CASH was happy to support legislation to create the Senior and Vulnerable Adult Asset Recovery Unit in the Office of the Attorney General. This unit will be dedicated to addressing financial abuse of elders and vulnerable adults.

Protection from Driver Licence Suspensions (HB 280/ SB 234): This bill was introduced at the request of the Office of Attorney General and builds on previous work with Del. Brooke Lierman. The bill repeals the authority of the Motor Vehicle Administration (MVA) to suspend a driver's license due to unpaid citations and judgements. The bill will maintain low income drivers' access to private transportation, which protects their access to employment, education, and other essential resources.

Temporary Clarification of State Contribution to Save4College Accounts (HB 152/ SB 192): In lieu of separate legislation, the state match contribution for Maryland 529 Save4College accounts has been clarified to be given to one beneficiary in the state budget. This is a temporary solution that addresses the abuse of the state match program. Before this budget, there were no restrictions on the number of accounts that can receive a state match for Maryland 529 Save4College accounts. For more information, read the [Baltimore Sun](#) article and [Editorial](#).

Partner Wins

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

Protecting Veterans and Foster Youths from Predatory For-Profit Schools (HB 593/ SB 294): This bill closes the 90/10 loophole, which allows for-profit schools to receive 100% of their funding from the federal government. This loophole has led to veterans and foster youth being aggressively targeted by for-profit schools for their education benefits. Maryland is the first state to close the 90/10 loophole!

Protecting Students from Sudden School Closures (HB 469/ SB 446): This bill protects students from disorderly school closures by requiring schools to meet certain requirements. The bill defines disorderly closure when a school no longer has instructional classes and they fail to enter at least one school-to-school teach-out agreement. This gives students access to important paperwork and increases their ability to transfer credits.

Debt Collection Exemptions (HB 365/ SB 425): This bill updates Maryland's debt collection exemptions for the first time in more than 30 years! It increases the amount low-income workers can protect from wage garnishment and ensures that they have enough wages left to sustain themselves and their families.

Medical Financial Assistance (HB 1420/ SB 875): This bill expands access to medical financial assistance offered by hospitals. The bill establishes free medically necessary care to patients of families at or below 200% of the federal poverty level and reduced-cost medically necessary care to patients with families above 200% the federal poverty level. Now, more low-income families will receive free or discounted health care.

Juvenile court fines and fees: We supported our partners at [Advocates for Children and Youth](#) on the following bill:

Fine, Fees and Court Cost (HB 36): This bill repeals the juvenile court's ability to impose civil fines or court costs for certain offenses, assess attorney's fees, or order a parent to cover the cost of detention or treatment for the child. This will allow for low income families to avoid additional financial burden during a time of adversity.

Unfinished Business

EITC Expansion (HB 679/ SB 717) and (HB 680 / SB 719): CASH Campaign of Maryland sought to expand the Earned Income Tax Credit (EITC) for single filers without dependents. We championed two bills this legislative session. HB 679/ SB 717 would expand access to the EITC by increasing the maximum income requirement for the credit, and HB 680 / SB 719 would increase the value of the credit. Maryland has an opportunity to invest in Marylanders who need it most, and we will come back next year and continue to fight for a stronger state EITC for single filers.

Maryland Child Tax Credit (HB 912 / SB 638): This session CASH Campaign of Maryland advocated for the creation of a Maryland Child Tax Credit. This credit would give additional relief to low-income families, and cover families left out of a recent federal expansion. CASH will continue to advocate for low-income families and the creation of this credit in next year's session.

Merchant Cash Advance Transactions (HB 1478/ SB 913): CASH Campaign of Maryland supported the prohibition of merchant cash advance transactions. A merchant cash advance is when lenders give businesses a sum of money, and it is repaid by the small business by promising a percentage of future credit or debit card revenues. This is paid by a weekly or daily amount based on their credit or debit revenue until the original amount plus the determined fee are paid off. These agreements can lead to small businesses paying an extreme amount of fees and leaving them in a cycle of debt or facing closure. More information can be found in 2 recent Federal Reserve reports ([Browsing to Borrow](#), [Uncertain Terms](#))

Permanent Clarification of State Contribution to Save4College Accounts (SB 615): This session passed through the budget temporary clarification about the number of beneficiaries that can receive a state match. CASH intends to advocate in the next legislative session for legislation that will limit the state contribution to one beneficiary. This will protect low and middle income families ability to save for their children's future educational cost.

We will continue to support our partners at [Maryland Consumer Rights Coalition](#) on the following initiatives:

Instructional Spending of For-Profit School (HB 470 / SB 445): This bill sought to ensure that for-profit schools and private career schools are investing tuition dollars in their students.

Collection Practices for Unpaid Fees and Services (HB 419): This bill would have required higher education institutions to report information to the Higher Education Commission in regards to fees owed by students.

Car Insurance Cost (HB 660/ SB 934): This bill aimed to create a low income car insurance pilot program for Baltimore City and Prince George's counties.