

January 14, 2021

The Honorable Delores G. Kelley, Chair
The Honorable Brian J. Feldman, Vice Chair
Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

Dear Chair Kelley and Vice-Chair Feldman:

The Maryland Program Evaluation Act gives the General Assembly the opportunity to review the activities of the Maryland State Collection Agency Licensing Board (hereinafter "MCALB" or "the Board") to determine whether the Board has operated in a manner that gives citizens confidence in the government and promotes the health of the State's economy. The undersigned represent the current Members of MCALB, we believe that the Board's continued operation is in the public interest, and we therefore urge the Committee and General Assembly to pass SB206 and reauthorize the Board's mission for another ten years.

Maryland's licensing and regulation of collection agencies through MCALB dates to 1977 and Maryland is one of less than 25 states that have a state agency that is responsible for the licensing and regulation of collection agencies. Today, the Board is responsible for the licensing and regulation of over 1,400 collection agencies. It also investigates, and if appropriate, mediates, consumer complaints and enforces the Maryland Consumer Debt Collection Act. Comprised of a mix of unpaid industry and consumer advocacy representatives, each of whom are appointed by the Governor, with the consent of the Senate, to four-year terms, the MCALB has been active in protecting Maryland consumers and, through its participation in the North American Collection Agency Regulatory Association (NACARA), is a prominent voice in the formulation of states' policies on the regulation of collection agency activity.

During the past ten years, the Board has met regularly and has informed both collection agencies and the public about abusive debt collection practices and it continues to actively work for the good of all Marylanders as it supervises the licensing of collection agencies and investigates accusations of wrongful conduct.

Overall, thanks to the continued support of the General Assembly and the cumulative work of successive Commissioners and Board members, MCALB has efficiently and successfully met its mandates over the previous sunset period. The Board remains committed to accomplishing its original objective of ensuring industry compliance with Maryland law and generally promoting a safe and sound collection industry in Maryland. Thus, we urge the Committee and the General Assembly to pass SB206 and extend the Board's termination date to July 1, 2032.

Respectfully,

Eric Friedman, Consumer Member

Susan Hayes, Industry Member