



MARYLAND-DC CREDITORS BAR ASSOCIATION, INC.

The MD/DC Creditors' Bar Association ("Creditors' Bar") is an association of forty member firms practicing collections law in the State of Maryland and the District of Columbia. The Creditors' Bar was formed in 2003 for the purposes of support, mentoring, and collaboration to formulate and implement best practices in the field of collections law. The Creditors' Bar supports House Bill 176 as currently drafted. This bill amounts to debt avoidance, not consumer protection.

This bill increases the cost for service of process fees that can be collected by a Sheriff for service of court papers and administrative agency proceedings, from \$40 to \$60. The current amount of \$40 for service has not changed in nearly 15 years. This service fee is also much less than paid in many other jurisdictions. Currently, we are experiencing the worst inflation in forty years. The costs all off consumer goods, especially gas prices, are on the rise. It is time to raise the cost for service of process.

Increasing the costs of service incentivizes multiple service attempts, ensuring service is established. It also disincentivizes improper service. It should be noted that cap on Sheriff service fees also caps service of process for private process servers, impacting the entire court system. A low service cost discourages multiple service attempts, meaning service is not timely established, which prolongs court cases. It is in the interest of justice that parties receive proper and prompt notice of process. Cases should not linger on dockets; and all parties need to know of pending proceedings in order to preserve evidence and prepare their cases. Also, without the incentive for multiple service attempts, there can be improper service. Paying a fair rate removes that incentive.

For all of the above reasons, the MD/DC Creditors Bar Association supports HB 176 and urges and favorable report.