



Testimony to the House Economic Matters Committee
HB262: Consumer Protection – Consumer Reporting Agencies – Information in
Consumer Credit Reports
Position: Favorable

January 30, 2023

The Honorable C.T. Wilson, Chair
House Economic Matters Committee
Room 231, House Office Building
Annapolis, Maryland 21401
cc: Members, House Economic Matters

Honorable Chair Wilson and members of the committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of HB262. HB262 harmonizes the Maryland Consumer Credit Reporting Act with the federal Fair Credit Reporting Act (FCRA). The FCRA sets time limits for how long certain negative information can be included on a consumer's credit report. Because an individual's credit history and credit score affect their ability to buy or rent a home, car, or receive a loan, it's important that a person's history reflects their current financial situation.

The FCRA contains three exemptions to the prohibitions on reporting obsolete information. Consumer credit reports can still include old information when a report is used in connection with: 1) credit transactions with principal amounts larger than \$150,000 (e.g. a mortgage); 2) life insurance policies larger than \$150,000; and 3) job applications involving jobs with salaries over \$75,000. These financial thresholds in these exemptions were updated in 1996.

HB262 will update Maryland's Consumer Credit Reporting Act to conform to the FCRA thresholds. This provides clarity and harmony between federal and state law and reflects current economic conditions.

For all these reasons, we support HB262 and urge a favorable report.

Best,

Marceline White
Executive Director



For these reasons we support HB246 and urge a favorable report.

Best,

Marceline White
Executive Director