



**Testimony to the Senate Finance Committee**  
**SB41: Consumer Protection – Consumer Reporting Agencies – Information in**  
**Consumer Credit Reports**  
**Position: Favorable**

January 30, 2023

The Honorable Pamela Beidle, Chair  
3 East  
Miller Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Senate Finance Committee

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 SB41. SB41 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.

SB41 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 SB41 and urge a favorable report.

Best,

Marceline White  
Executive Director