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SB559 Business Regulation – Household Goods Movers Special Fund and Fees

Good afternoon, Vice Chair Klasmeier and Members of the Finance Committee;

Thank you for the opportunity to present SB 559, Business Regulation – Household Goods Movers – Special Fund and Fees. SB 559 provides the Department of Labor the necessary structural support to operationalize the Household Goods Movers Registry and finally provide Marylanders with the level of consumer protection the program was intended to provide.

As background, the General Assembly in 2019, passed SB 712 which established the Household Good Movers Registry under the Maryland Department of Labor (MDL). The original law prohibited a person from providing household goods moving services with a commercial vehicle in the State unless the person is registered with the Department of Labor. It also required they provide proof of insurance, pay a registration fee, provide relevant information to MDL, and display their registration in all commercial vehicles.

Fast forward five years later, SB712 still has not been implemented, consumers still have no state agency to go to verify a moving company's status, which can make it difficult to identify if a company is reputable. The Attorney General's Office has received 317 complaints against moving companies in Maryland between October 1, 2019, when the program was to have been established, and February 1, 2024.

Senate Bill 559 seeks to address this challenge by making a technical correction specifying that the fees paid into the program by moving companies would be deposited into a new Household Goods Movers Registration Fund to cover the costs of administering the program by MDL. This will bring this program in line with the other Occupational and Professional programs - it will be a self-sustaining specially funded program not reliant on General Funds for its operation.

With adequate funding, MDL will be able to establish the necessary infrastructure to administer the program, ensure compliance, and coordinate with the Office of the Attorney General as necessary to enforce the law.

I respectfully request a "Favorable Report" on SB 559.