

**MARYLAND JUDICIAL CONFERENCE**  
**GOVERNMENT RELATIONS AND PUBLIC AFFAIRS**

Hon. Mary Ellen Barbera  
Chief Judge

187 Harry S. Truman Parkway  
Annapolis, MD 21401

**MEMORANDUM**

**TO:** House Economic Matters Committee  
**FROM:** Legislative Committee  
Suzanne D. Pelz, Esq.  
410-260-1523  
**RE:** House Bill 1562  
Action to Collect a Private Education Loan – Required Documents  
**DATE:** February 26, 2020  
(3/4)  
**POSITION:** Oppose

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The Maryland Judiciary opposes House Bill 1562. This bill affects the collection of private education loans, including small claim actions filed under Courts & Judicial Proceedings Article § 4-405.

Although much of the substance of this bill is analogous to Md. Rule 3-306 dealing with assigned consumer debt, the Judiciary has concerns with the mandatory treble damage provisions upon certain findings, which take away judicial discretion with respect to an appropriate remedy. The Judiciary believes that it is important for judges to weigh the facts and circumstances for each case, including possible mitigating factors, when deciding on an appropriate remedy.

In addition, beginning on page four through page seven, this bill provides that the lender or loan collector must provide extensive evidence to the court. Some of the required evidence to be admitted may not exist leading to difficulty for the courts to try these cases properly. Certain evidence required to be submitted might also present confidentiality concerns and/or be considered privileged work product.

Further, page seven, provides that the court may not enter a judgment unless the court finds that the applicable statute of limitations has not expired. This restriction on a judge is unusual as a defendant typically bears the burden of raising a statute of limitations argument.

cc. Hon. Lesley Lopez  
Judicial Council  
Legislative Committee  
Kelley O'Connor