

**BRIAN E. FROSH**  
*Attorney General*

**ELIZABETH F. HARRIS**  
*Chief Deputy Attorney General*

**CAROLYN QUATTROCKI**  
*Deputy Attorney General*



**WILLIAM D. GRUHN**  
*Chief*  
Consumer Protection Division

**STATE OF MARYLAND**  
**OFFICE OF THE ATTORNEY GENERAL**  
**CONSUMER PROTECTION DIVISION**

Writer's Direct Dial No.

410-576-6307

February 14, 2020

To: The Honorable Delores G. Kelley  
Chair, Finance Committee

From: Steven M. Sakamoto-Wengel   
Consumer Protection Counsel for Regulation, Legislation and Policy

Re: Senate Bill 425 – Debt Collection – Exemptions from Attachment and Execution  
(SUPPORT)

---

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of Senate Bill 425 sponsored by Senators Beidle, Augustine, Benson, Carter, Hayes, Kelley, Smith and Washington. The bill increases the amount of wages that a low-wage worker may protect from garnishment. Maryland currently falls behind 32 states in protecting debtors from excessive wage garnishment, including surrounding states. Senate Bill 425 would update Maryland's current formula to protect 75% of wages or 50 times the Maryland minimum wage. As the poverty rate in Maryland has increased 19% since 1990, workers are struggling with stagnant wages and to make ends meet. Senate Bill would also protect from collection proceeds received from a home insurance policy needed to repair the debtor's home. This bill considers such struggles of Maryland debtors and protects them from severe garnishments that affect their essentials, including shelter and basic amount of income, needed for daily life.

The Division believes that increasing the amount of wages that a low-wage worker may protect from garnishment will greatly assist debtors who are currently struggling with paying medical bills or who are living paycheck to paycheck. For these reasons, the Consumer Protection Division asks that the Senate Finance Matters Committee return a favorable report on Senate Bill 425.

cc: The Honorable Jill P. Carter  
The Honorable William C. Smith, Jr.  
The Honorable Mary Washington  
Members, Finance Committee

