February 23, 2021
From: Charles Shafer
To Senator Delores G. Kelley (chair), Senator Brian J. Feldman and the members
     of the Senate Finance Committee.

This testimony supports the Medical Debt Protection Act (SB514).

I am a Baltimore City resident and recently retired professor of law at the University of Baltimore Law School (teaching , Consumer Law and Debtor Creditor Law. While others have detailed for you the statistics regarding the consequences of medical debt collection, I'd like to give you a brief discussion the ways in which these areas of the law are, sadly, implicated in this legislation.

In these courses we often deal with people or businesses that bought something they really couldn't afford, in transactions they didn't understand, or for something they absolutely didn't need. Yet the law provides them with many protections. And rightly so.

Rather we are dealing with people who desperately needed help, at a time when they weren't able to carefully understand legal details, who are then confronted with threats or institution of law suits they are equipped to deal with. In short we are not talking about wealthy people who purchased a deluxe wide screen television.

Instead, this bill will protect low and middle-income households from punitive medical debt lawsuits. It will prohibit medical debt lawsuits for $1000 or under, require income-based repayment plans, and prevent wage garnishments and liens on homes over medical debt. Often fear of these lawsuits can caused frightened or unrepresented people to make payments that they and their families cannot legitimately afford or lose property that they severely need.

Thus, based on my familiarity with the protections afforded in standard consumer transactions, challenges facing people in these types of situations, and the dangerous effects of submitting them to the usual debt collection practices, I urge you to pass this bill.

Thank you for considering this extremely important legislation.

Respectfully submitted.

Charles Shafer.