VAUGHN STEWART Legislative District 19 Montgomery County

Environment and Transportation Committee

> Subcommittees Environment

Land Use and Ethics



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB 37

Testimony by Delegate Vaughn Stewart February 9, 2023 • Economic Matters Committee

What the bill does:

The Stop the Spam Calls Act will protect Marylanders from spam calls. HB37 takes steps to protect our constituents from both annoyances and fraud by requiring telemarketers to:

- Obtain express written consent from consumers prior to making solicitations using robocalls or autodialers;
- Transmit the originating phone number and caller ID information.
- Refrain from using software to alter the caller's voice;
- Decrease calling hours to 8am through 8pm; and
- Limit calls to one consumer to three in a 24-hour period.

The bill exempts isolated transactions, religious institutions, charities, political campaigns, and educational institutions.

Why the bill is important:

At best, telemarketing calls disrupt the daily lives of our constituents. At worst, they perpetuate fraud and identity theft. According to a 2019 fraud survey by the Federal Communications Commission, 15.9% of Americans have been victims of fraud. The FCC reports that from 2013 to 2019 the "IRS hoax" alone has scammed 14,700 victims out of more than \$72 million. This is only one of the hundreds of scams that have taken advantage of Maryland residents, continuously chipping away at their right to privacy.

Many of these calls are designed to prey on senior citizens and other vulnerable residents that may not be able to identify the credibility of spam calls. As technology grows, spam calls become more deceptive, making it difficult to keep up. In 2019, adults aged 80 and over reported median losses from phone scams of \$3500. During the 2021 fiscal year, Marylanders submitted the most complaints to the Federal Trade Commission, with 2,028 per 100,000 people filing complaints regarding telemarketing sales calls and robocalls.

Maryland regulations on spam calls are significantly behind our fellow states. In 2022, Washington's state legislature restricted telemarketing calls after 8 p.m. In 2019, Kentucky added a fine of up to \$5000 or one year in prison for certain violations. And Arkansas, New York, Maine, Nebraska and Florida have all passed legislation increasing protection for residents from spam calls and enforcing regulation on telemarketing.

Why the committee should vote favorably:

HB37 will protect our neighbors from annoying, and often harmful, calls. It is time to take action against this threat and provide our constituents - especially our seniors - with the protection they need. I urge a favorable report.