



**Testimony to the House Judiciary Committee
HB 42 Courts-judgments-exemptions from Execution
Position: Favorable**

Honorable Chair Clippinger and Members of the Committee:

My name is Ricarra Jones and I'm the Political Director of 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation, representing over 10,000 members in the Maryland/DC region. Our union supports HB42 to set an automatic exemption for \$500 that an individual can protect in their bank account from creditors. We urge the Committee to issue a **favorable** report.

In Maryland, thousands of residents -- including healthcare workers and other essential workers -- are burdened with medical debt and/or student loan debt that has led to more than 27,000 residents (in 2016) having their bank accounts or property seized to pay the debt. A majority of the debt collection lawsuits and these garnishments took place in low-income communities or communities of color.

Yet, as COVID-19 continues to affect Maryland residents, particularly Black and Brown workers concentrated in essential services, many will face unexpected medical bills and other financial setbacks. In fact, an October 2020 Gonzales poll that MCRC commissioned found that 45% of African-American respondents would have to either use credit or would be unable to pay an unexpected \$500 bill.

This amount-\$500-is not very much for creditors but our analysis shows it will help protect approximately 50% of Maryland residents in collection from having their bank account zeroed out.

1199SEIU United Healthcare Workers East supports policies that end the criminalization of poverty. We ask that the Committee issue a favorable report on HB 42.

In Unity,

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