



Testimony to the House Economic Matters Committee
SB001: Electricity and Gas-Retail Supply-Regulation and Consumer Protection
Position: Favorable

March 22, 2024

The Honorable C.T. Wilson, Chair
House Economic Matters Committee
Room 231, House Office Building
Annapolis, Maryland 21401
cc: Members, House Economic Matters

Honorable Chair Wilson and members of the committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in strong support of SB001.

SB001 provides important consumer protections around energy suppliers. Consumers, particularly, low-income consumers have been inundated with door-to-door sales people marketing third-party suppliers. [Complaints have been on the rise](#) with [research](#) showing that these suppliers target Baltimore's low-income neighborhoods with Hispanic, Black, and immigrant neighborhoods.

Many of these suppliers have signed consumers up for costly contracts that consumers were unaware they had signed up for - a transaction known as *slamming*. There have been a number of enforcement actions and civil penalties because of these unfair and deceptive practices over the past 18 months including a recent \$400,000 in refunds and \$150,000 settlement with SFE Energy [announced January 11](#).

Regulators' enforcement actions are important but more safeguards and protections are needed. SB001 adds these important guardrails. It establishes licensing requirements for energy salespersons as well as bonding, makes these subject to consumer protections, and increases penalties. For all these reasons, we support SB001 and urge a favorable report.

Best,
Zoe Gallagher
Policy Associate