



**Testimony to the House Economic Matters Committee
HB236 Public Service Commission - Electricity Supply and Consumer Protections -
Regulations and Orders
Position: Favorable**

February 15, 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.

I am writing to urge your favorable report toward HB 236, which takes significant steps towards enhancing consumer rights and ensuring fair business practices for retail electricity supply in Maryland.

This bill expands consumer protection and empowerment in a number of ways. First, this bill would establish reasonable restrictions on in-person marketing, a crucial step in protecting consumers from aggressive or deceptive marketing practices. [Complaints have been on the rise](#) with [research](#) showing that these suppliers target Baltimore's low-income neighborhoods with Hispanic, Black, and immigrant neighborhoods. Additionally, by introducing licensing procedures, fees, and reporting requirements for door-to-door marketing while also prohibiting commission-based compensation, HB 236 ensures accountability in direct engagement with consumers, safeguarding residents from potential scams and unscrupulous practices.

Prohibiting contract periods of more than one year for variable price residential supply contracts is another consumer-friendly measure. It ensures that residents have the flexibility to review and choose the most suitable electricity supply options without being tied to long-term commitments. Many low-income families have been trapped into unaffordable utility contracts despite being led to believe that they were choosing an affordable option.

For these reasons we urge your favorable report.

Sincerely,
Zoe Gallagher, Policy Associate