



Testimony to the Senate Environment
SB01: Electricity and Gas - Retail Supply - Regulation and Consumer Protection
Position: Favorable

January 25, 2024

The Honorable Brian Feldman, Chair
Education, Energy, & the Environment, Committee
2 West, Miller Senate Office Building
Annapolis, MD 21401
Cc: Members, Education, Energy, and Environment

Honorable Chair Feldman and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

We are here in strong support of SB1 and thank Sen. Augustine for sponsoring this legislation.

SB1 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. SB1 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 SB 1 and urge a favorable report.

Best,

Marceline White
Executive Director

2209 Maryland Ave · Baltimore, MD · 21218 · 410-220-0494
info@econaction.org · www.econaction.org · Tax
ID 52-2266235