



**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

**House Bill 622
In the Economic Matters Committee – Consumer Reporting Agencies
– Records of Criminal Proceedings -- Prohibition
Hearing on February 13, 2024
Position: FAVORABLE**

Maryland Legal Aid (MLA) submits its written and oral testimony on HB 622 in response to a request from Delegate Healey.

Maryland Legal Aid (MLA) is the largest non-profit law firm in the State of Maryland and represents low-income individuals in consumer cases, individual rights cases, and expungement cases. HB 622 prevents credit reporting agencies from listing acquittals, nolle prosequis, and expunged cases on a credit report. Because MLA believes that this bill would prevent discrimination in credit reporting, housing, and credit opportunities for low-income citizens, MLA testifies in strong support of HB 622.

MLA represents many individuals and households that due to their low-income and lack of credit history, have difficulty obtaining alternative housing because the prospective landlords collect credit information on them. In addition, our clients often face an inability to find housing due to other inaccurate information regarding criminal matters on their credit reports. Preventing credit reporting agencies from reporting non-convictions and expunged criminal matters will assist low-income homeowners in qualifying for housing and for credit. Prospective landlords and other creditors will not be able to use irrelevant and prejudicial history as a factor in determining approval for credit and housing.

HB 622 also brings credit reporting in concert with the standard that the Maryland courts use to determine a person's credibility. For example, when impeaching a witness, an attorney can only use convictions of major crimes and crimes of moral turpitude (fraud, theft, etc.) to impeach the credibility of a witness. If a person has a nolle prosequi or a not guilty charge on their record, this charge cannot be used in court to impeach a witness. By preventing not guilty and expunged crimes from being used to make credit decisions, HB 622 is just requiring the creditors to apply the same standard of fairness and credibility as those used by Maryland courts.

HB 622 gives Maryland's expungement statute teeth, by ensuring that creditors cannot punish people for criminal records that no longer exist. Last year, the Maryland General Assembly passed the REDEEM Act, expanding access to criminal record expungement for many Marylanders. Expungement legislation is intrinsically rehabilitative; it recognizes that criminal charges result not just in criminal sentences, but also in collateral consequences that impact the ways people are able to access services and participate in their communities. In Maryland, even if someone is acquitted of a charge, or if a prosecutor dismisses charges, those charges remain on the person's criminal history unless they are expunged. Because these criminal histories for both convictions and non-convictions are publicly available, they can be used to make determinations

about housing, credit history, custody, and many other areas of civic life. People deserve a second chance and should not suffer forever for past mistakes. It also defies logic that individuals should face secondary consequences when they were not found guilty of the crimes in the first place. That is why legislation like HB 622 is so important; to ensure that people are able to build economic stability and generational wealth.

Because HB 622 prevents creditors from listing acquittals, nolle prosequis, and expunged cases on a credit report, MLA testifies in strong support of HB 622. If you need additional information in regards to this bill, please contact William Steinwedel at wsteinwedel@mdlabor.org and (410) 951-7643.

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