

January 24, 2025

**Testimony to the House Economic Matters Committee  
HB393 Commercial Law - Attachment of Wages - Exemptions  
(Exempt Income Protection Act)  
Position: Unfavorable**

The Honorable CT 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:

I write to oppose HB393.

This Committee and the General Assembly passed HB0365/SB425 in 2020 which updated debt exemption in Maryland for the first time in more than 30 years to allow individuals to keep the greater of 75% of wages or 30 times the Maryland minimum wage.

This bill would break the link between the Maryland minimum wage and the garnishment exemptions, instead making Marylander's wage protections once again subject to a federal standard – the federal poverty level – over which the General Assembly has no control.

How would an employer be able to calculate either of the two proposed exemptions accurately? The proposed standard for (b)(1)(i) *includes* social security, disability, and unemployment benefits in the calculation. Employers do not have that information. The proposed standard for (b)(1)(ii) requires information about household size – also unknown to most employers..

The (b)(1)(i) exemption, by including public benefits in the wage calculation, creates the potential for some debtors to have their entire paycheck garnished if they are primarily reliant on public benefits, taking away any incentive to supplement their benefits through work. Strangely, it disadvantages recipients of

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public benefits more than any other source of income: A debtor receiving income from a second employer, investments, or as an independent contractor would have a greater portion of their income exempt under this bill than one receiving the majority of their income from social security.

The (b)(1)(ii) exemption is similarly impractical. Even supposing that some debtors might be entitled to a greater exemption under (b)(1)(ii) than under current law, the only way for them to get the benefit of that exemption would be to file a motion seeking to limit the garnishment and providing evidence of household size and the federal poverty level. At present, even motions to quash garnishments entirely are often not heard for months in the District Court. Historically very few debtors have claimed the exemptions they are entitled to, and there is no reason to suppose that the debtors affected by this bill will have any more success in affirmatively asserting exemptions.

For these reasons, I urge an UNFAVORABLE report on HB393.

Sincerely,

/s/ Emanuel J. Turnbull  
Emanuel J. Turnbull