



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Balto. (410) 269-1940 • Fax (410) 280-2956

President

Donna S. Edwards

Secretary-Treasurer

Gerald W. Jackson

**HB 1020 - Consumer Protection - Credit Reporting - Medical Debt
(Fair Medical Debt Reporting Act)
House Economic Matters Committee
February 18, 2025**

SUPPORT

**Donna S. Edwards
President**

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 1020. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

There is an urgent need to adopt consumer protection measures for medical debt on the state level. Nine states, including California, Illinois, New York and New Jersey have enshrined the Fair Medical Debt Reporting Act into law with Virginia adopting its own version in 2024.

HB 1020 is essential for protecting consumers by 1) prohibiting consumer reporting agencies from including medical debt in credit reports, 2) ensuring creditworthiness is judged fairly, and 3) preventing hospitals, healthcare providers, and ambulance services from disclosing any portion of medical debt to a consumer reporting agency.

These protections are more important than ever as the federal Consumer Financial Protection Bureau finalized a rule that would have applied the Fair Medical Debt Reporting Act nationwide. However, this rule, which was set to take effect in March 2025, was stopped by the new Administration.

No one plans for a major life emergency yet medical debt can wreak havoc on credit reports and scores, providing obstacles in applying for loans, housing and jobs, and threatening financial security. Individuals should not face long-term financial consequences for seeking necessary medical treatment.

This legislation promotes economic stability and uplifts people rather than forcing them to bear the costs of our healthcare system and unjust medical debt practices.

For these reasons, we urge a favorable report on HB 1020.