

**HB1106\_Del\_Boafo.pdf**

Uploaded by: Delegate Adrian Boafo

Position: FAV

**ADRIAN BOAFO**  
*Legislative District 23*  
Prince George's County

ASSISTANT MAJORITY LEADER

Economic Matters Committee



The Maryland House of Delegates  
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## THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

Chairman C.T. Wilson  
Economic Matters Committee  
House Office Building, Room 230  
Annapolis, Maryland 21401

Chairman Wilson, Vice-Chair Crosby, and Members of the Economic Matters Committee,

HB1106 is introduced in memory of the tragic loss of life that occurred in Summer 2024. Several Maryland residents tragically lost their lives while making the religious pilgrimage, Hajj, to Mecca. The travel organizers played a direct role in these tragedies by failing to provide promised documentation and necessary support to travelers who had paid for their services. This devastating event exposed a critical gap in the oversight of travel service providers, leaving consumers vulnerable to fraud, financial exploitation, and life-threatening consequences.

This legislation seeks to create a regulatory system to increase consumer protection while using travel agencies for their needs. It establishes safeguards to ensure financial accountability among travel service providers, mitigating risks for consumers and reducing potential losses from fraud or business failures within the industry. These events have invoked an urgency to create a travel regulatory system to institute checks and balances in travel agencies to prevent such incidents from happening again by:

- Requiring all travel service providers operating in Maryland to annually file with the Department of Labor, with a filing fee of \$300. Sellers will not be allowed to accept payment for services unless they have completed this annual filing.
- Requiring all travel service providers to provide a surety bond or equivalent financial security based on their gross annual income, ensuring they have the resources to fulfill their obligations to consumers. For example, for an annual gross income of less than \$200,000, the principal amount of the surety bond will be 20,000. Requiring this security will further protect consumers from fraud and misinformation by such services.
- Implementing penalties for violations. Individuals violating these provisions will be guilty of a misdemeanor and pay a fine up to \$10,000 and for a second offense up to \$50,000. Businesses breaching the provision will also be guilty of a misdemeanor and pay a fine up to \$50,000 and for a second offense up to \$100,000.

For many Marylanders, travel is not just a luxury—it is often a deeply personal or religious journey and ensuring the safety and security of these travelers is vital. By requiring accountability from travel service providers, this legislation provides much-needed consumer protection, reduces risks for travelers, and ensures that tragedies like those witnessed in 2024 are prevented in the future.

For these reasons, I strongly urge the committee to issue a favorable report on HB593.

Sincerely,

A handwritten signature in black ink, appearing to read "Adrian Boafo".

Delegate Adrian Boafo

# **Written Testimony-HB 1106-Business Regulation - Tr**

Uploaded by: Jason Perkins-Cohen

Position: FWA

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**MARYLAND DEPARTMENT OF LABOR TESTIMONY ON HB1106**

TO: House Economic Matters Committee  
FROM: Jason Perkins-Cohen, Deputy Secretary  
DATE: February 19, 2025  
BILL: HB 1106-Business Regulation - Travel Services - Surety Requirement  
(Don't You Worry (Wurie) Act)

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**MD LABOR POSITION:** Support with Sponsor Amendments

The Maryland Department of Labor supports HB 1106 with amendments, which requires certain providers of travel insurance to register with the Department by providing evidence of financial security. The purpose of this legislation is to ensure that providers of travel services maintain adequate financial resources to safeguard consumers, thereby promoting greater accountability, stability, and safety in the industry.

MD Labor supports the sponsor's amendments that clarify the intent of the legislation and provide the appropriate balance that offers consumers protection without creating restrictions that may limit responsible travel businesses from providing high quality services to their clients.

The amendments clarify the information required for the travel business to register with MD Labor including requiring proof of professional liability and errors and omissions insurance, ensure that fees collected can be used to support the administrative requirements of the new registry, and reduce potential complexity for all parties.

The Department believes that the proposed amendments strengthen its intent and provide enhanced safeguards for all Marylanders. By ensuring that established protections are in place for consumers utilizing travel agencies, we will help foster greater security and confidence in the industry. The Department would like to thank the bill sponsor for leading the way for a potentially life-saving check on the travel agent industry.

The Department respectfully requests the House Economic Matters Committee consider a favorable Report on HB1106.

For questions, please contact Caroline Bauk, at [Caroline.Bauk@maryland.gov](mailto:Caroline.Bauk@maryland.gov)

**HB1106\_ASTA\_021925.pdf**

Uploaded by: Laura Vogel

Position: UNF



February 17, 2025

The Hon. C.T. Wilson  
Chair, House Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, MD 21401

Dear Chairman Wilson:

On behalf of the American Society of Travel Advisors (ASTA) and the more than 1,600 travel advisors in the state of Maryland, I am writing to express our concerns with House Bill (HB) 1106, which would impose new regulatory burdens on travel advisors in Maryland and across the country. I respectfully request that this letter be made part of the record of the committee's February 19, 2025, hearing on the legislation.

By way of background, ASTA is the world's leading professional travel trade organization, representing nearly 200,000 travel advisors across the country. Travel agencies – online, “brick and mortar” and many hybrid business models in between – play a critical role in the broader travel and tourism economy. Ninety-eight percent of travel agencies are small businesses as categorized by the Small Business Administration, and eighty percent of them are women-owned. Our membership ranges from home-based businesses and traditional storefront agencies to the largest travel management companies and online travel agencies.

Before diving into the specifics of the legislation, I hope you will allow me to express my condolences to the Wurie family. They experienced the tragic loss of their family members while embarked on a holy pilgrimage in Saudi Arabia, a tragedy no family should face. We truly wish their loved ones peace and comfort during this difficult time. We were disheartened to learn that the negligence of a tour operator may have contributed to this tragedy.

As the world's largest association of travel professionals, we share the committee's interest in protecting the public from travel scams and other unethical behavior. Members of ASTA pledge to conduct their business principles according to a comprehensive Code of Ethics, and ASTA actively encourages consumers to inform its Consumer Affairs department of any alleged fraud or other unethical conduct by its members. We are an organization of professionals who maintain ongoing ethics and business education through our Verified Travel Advisor program. One bad actor sours the entire profession, and ASTA is committed to ensuring that consumers choose a travel advisor they can trust.

HB 1106 would create a seller of travel registration program and impose other new requirements on agencies in the state and across the country. Under the proposed legislation,

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Alexandria, VA 22314

[ASTA.org](http://ASTA.org)



starting on October 1, 2025, any travel agency that resides in Maryland or solicits business from a Maryland resident must register with the state at a cost of \$300 per year and provide “evidence of financial security.” Registrants would have to obtain a surety bond ranging in amounts from \$10,000 to \$50,000, depending on gross business income, or alternatively, obtain professional liability insurance in the amount of \$1 million. Consumers who obtain a judgment against the agent or agency could make a claim against the bond to satisfy the judgment. Individual travel advisors who fail to register would be guilty of a misdemeanor and subject to a fine of up to \$10,000. Business entities that fail to register would be guilty of a misdemeanor and subject to a fine of up to \$50,000.

While we endorse efforts to weed out unscrupulous individuals masquerading as *bona fide* travel agents, we question the justification for additional regulation. The tour operator in question was not in good standing with the State of Maryland for not filing the required annual report. In this instance, some of the onus of this situation sits with the state itself for not enforcing its own rules<sup>1</sup>. The proposed legislation is an overcorrection for a larger problem of enforcement in Maryland, with legitimate travel professionals forced to pay the price.

We are concerned about the regulatory burden and cost associated with adding another state registration requirement to the list of those that already exist today. This would be especially burdensome on those agencies that do business in multiple states. In recent years, many states have moved to nullify such laws, yet Maryland would be on the reverse course to increase regulatory burden and red tape. Moreover, because the travel advisor profession is unconstrained by state lines, this regulation would undoubtedly be confusing, if not unintentionally overlooked, by travel professionals who only occasionally sell to Maryland residents but live outside the state.

As previously mentioned, all ASTA members are subject to a strict code of conduct. We always encourage consumers to do their homework to find the right travel professional, and we provide the ability for consumers to connect with our Verified Travel Advisors without worrying about being the subject of an unfortunate scam.

While we believe the legislation to be well-intended and extend our sympathies to anyone affected by the actions of incompetent or unscrupulous travel agents, we remain concerned that it does not strike the right balance between protecting consumers and minimizing burdens and government mandates on professional, ethical travel advisors and agencies in Maryland and across the country. ASTA and its members would welcome the opportunity to work with the committee to craft a bill that is fair to both consumers and travel advisors, but we respectfully request that you delay consideration of HB 1106 until the appropriate balance can be struck.

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<sup>1</sup> [WJLA: “Travel company hired by Maryland couple who died in Mecca ‘not in good standing’”](#)



Thank you for considering our views on this critical issue. If you or your staff have any questions, please do not hesitate to contact Jessica Klement, Vice President of Advocacy, at [jklement@asta.org](mailto:jklement@asta.org). Further, should you be interested in speaking directly with travel advisors in Maryland, Jessica would be happy to connect you.

Yours Sincerely,

Zane Kerby  
President and Chief Executive Officer

CC: The Hon. Adrian Bofo (Bill Sponsor)

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[ASTA.org](http://ASTA.org)



# **HB 1106 Letter of Concern.pdf**

Uploaded by: Karen Straughn

Position: INFO



**CAROLYN A. QUATTROCKI**  
*Chief Deputy Attorney General*

**LEONARD J. HOWIE III**  
*Deputy Attorney General*

**CARRIE J. WILLIAMS**  
*Deputy Attorney General*

**ZENITA WICKHAM HURLEY**  
*Chief, Equity, Policy, and Engagement*

**STATE OF MARYLAND**  
**OFFICE OF THE ATTORNEY GENERAL**  
**CONSUMER PROTECTION DIVISION**

**ANTHONY G. BROWN**  
*Attorney General*

**WILLIAM D. GRUHN**  
*Division Chief*

**PETER V. BERNS**  
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February 20, 2025

To: The Honorable C. T. Wilson  
Chair, Economic Matters Committee

From: Karen S. Straughn  
Consumer Protection Division

Re: House Bill 1046 – Insurance Protections for Vehicle Service Contracts (FAVORABLE WITH AMENDMENTS)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 1046 submitted by Delegate Heather Bagnall with the amendments discussed below. The bill as currently written would prevent licensed vehicle dealers, obligors and agents that sell mechanical repair contracts for motor vehicles from making deceptive or misleading statements regarding a mechanical repair contract. The bill would further make these same parties responsible for ensuring that the testimony of endorsers of these contracts is also not misleading or deceptive. However, the Consumer Protection Act already prohibits such deceptive or misleading statements.

In discussions with the sponsor, the Division learned that some extended warranties do not cover claims if the auto manufacturer has issued a Technical Service Bulletin (TSB) related to the defect. A TSB is a document that provides instructions to dealers for repairing non-safety related problems. TSBs are usually issued by manufacturers when a problem occurs in multiple vehicles that does not rise to the level of a recall. While manufacturers are required to notify consumers of a recall; manufacturers and dealers are not required to disclose TSBs to consumers.

Auto manufacturers create TSBs after receiving multiple complaints or warranty claims about a problem, even if they do not currently have a solution to that problem. They can apply to a specific model or an entire product line and generally include instructions for repairs, software updates or modifications.

These bulletins are issued to repair shops and dealerships, but most consumers are unaware when a TSB has been issued that may affect their vehicle. As a result, when a problem occurs, it is usually too late to take the necessary precautions to have the manufacturer or dealer repair the item described in the TSB. In addition, if the vehicle is outside of the manufacturer warranty, these may be very expensive to repair and leave a consumer with no recourse if the vehicle service contract denies coverage solely based on the existence of a TSB.

Consequently, the Division understands that the sponsor intends to amend HB 1046 to prohibit an extended warranty from excluding coverage for a repair solely because the manufacturer has issued a TSB. This is especially necessary because there is no requirement that consumers be made aware that such a TSB even exists.

For these reasons, we ask that the Economic Matters Committee issue a favorable report on this bill with the amendment discussed above.

cc: The Honorable Heather Bagnall  
Members, Economic Matters Committee

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February 19, 2025

To: The Honorable C. T. Wilson  
Chair, Economic Matters Committee

From: Karen S. Straughn  
Consumer Protection Division

Re: House Bill 1106 – Business Regulation – Travel Services – Surety Requirement (Don't You Worry (Wurie) Act) (LETTER OF CONCERN)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony expressing our concerns about House Bill 1106 submitted by Delegate Adrian Boaf. This bill requires that certain travel tour operators file security with the Department of Labor to assist in the ability to compensate persons who suffer financial losses as a result of the actions of the travel agent.

Using a travel agent can save you time and money and may provide access to special deals and perks. In addition, travel agents also can be helpful when an individual is not experienced with vacation planning or has time commitments preventing them from planning. However, there have been instances where consumers have paid thousands of dollars for travel and did not receive the services promised or, in some cases, nothing at all and were unable to their money back, including the situation that led to the introduction of this bill.

This bill would help protect against losses by ensuring that there is some form of recovery in the event the agent goes out of business, or becomes otherwise nonresponsive, and the individual is not able to recover their funds. By registering travel agents and requiring some form of security to ensure the financial viability of the agent, consumers will be less likely to sustain losses.

However, the bill requires the Consumer Protection Division to provide information on the requirements of the legislation and to enforce the provisions of the legislation despite the

Department of Labor being the agency having oversight of the travel providers. While the Division appreciates the intent of the bill, we believe that oversight by the Department of Labor would be sufficient and that the Division's inclusion in the bill is unnecessary. Of course, the sale of travel services would still be subject to the Consumer Protection Act. For these reasons, we wanted to advise the Economic Matters Committee of our concerns.

cc: The Honorable Adrian Boafo  
Members, Economic Matters Committee