



Testimony to the Senate Finance Committee  
**SB31 Commercial Law - Attachment of Wages - Exemptions  
(Exempt Income Protection Act)**

POSITION: Unfavorable  
January 30, 2025

Honorable Chair Beidle and Members of the Finance Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities.

SB31 alters the way in which wages are protected from garnishment. In 2020, this committee and the General Assembly passed HB0365/SB425 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.

CDN is in opposition to SB31. Despite its title, it will effectively roll back wage protections for low-income households and families living paycheck to paycheck.

SB31 would shift the calculation of wages that are exempt from garnishment. SB31 would retain the 75% of disposable wages but strike 30 times the Maryland minimum wage and replace it with 150% of the federal poverty level.

SB31 provides a modest \$20 increase in protection from current law but in practice would make it difficult for families to receive that \$20 increase. To prove household size, the debtor would have to go to court or somehow attest or otherwise prove household size. Essentially, fewer families would receive the \$20 increase and the majority of low-income households would see a reduction in protections.

For these reasons, we oppose SB31 and urge an unfavorable report.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network