



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB0922 - Business Regulation - Travel Services - Surety Requirement (Don't You Worry (Wurie) Act)

Madame Chair, Mr. Vice Chair, and fellow members of the Senate Finance Committee:

SB0922 would put in place consumer protections for travel agencies to prevent additional tragedies from happening to Maryland families.

Background

During the summer of 2024, [several Maryland residents tragically died](#) while making a religious pilgrimage, Hajj, to Mecca. Reports indicate the travel organizers had a direct part in this tragedy, failing to provide promised documentation and necessary support to travelers who paid for their services.

In an effort to enhance consumer protections in this industry, some states have established industry mechanisms - such as "Seller of Travel" (SOT) registrations - which provide consumers with an added level of assurance they are doing business with legitimate entities and can provide consumers with certain avenues for recourse by requiring certain levels of insurance and bonding by registered SOTs.

Maryland does not currently have any licensing or registration requirements for sellers of travel.

Solution

SB092 would:

- Require each seller of travel to file annually with the Department of Labor a list of independent agents affiliated with the seller of travel and evidence of financial security as spelled out in the bill; and
- Depending on the gross income of the seller of travel or independent agent, surety or cash performance bonds shall be posted ranging from \$10,000 to \$50,000; and
- In lieu of the bond required under the bill, a seller of travel or an independent agent may:
 - Obtain a certificate of deposit or an irrevocable letter of credit from a state banking institution in the amount of the performance bond; or
 - File with the Department of Labor proof of professional liability and errors and omissions insurance in the amount of \$1,000,000; or

- o Deposit with the Department of Labor:
 - Cash in the amount of \$50,000; or
 - Securities with a value of at least \$50,000; or
 - A statement from a licensed financial institution guaranteeing the performance of the seller or travel or independent agent; or
 - A security interest in property with a value of \$50,000 surety or cash performance bond
- Sellers of travel may be subject to a fine of \$50,000 in the first instance and \$100,000 for the second and further instances; independent agents may be subject to a fine of \$10,000 in the first instance and \$50,000 for the second and further instances.

Per the Fiscal Note, SB0922 as-introduced would incur some expense to the state. However, I am supporting an amendment that would remove the Attorney General's Office's enforcement role, which is expected to drastically reduce the bill's expected cost.

For these reasons, I respectfully request a favorable report on SB0922.