

February 9, 2026

HB 433 – Business Regulation – Collection Agencies – Licensure Exemption for Property Managers

**Written Testimony of Mary Miguez-Jordan, Managing Attorney, Civil Justice, Inc.
Before the House Economic Matters Committee**

Position: UNFAVORABLE

Dear Chair Valderrama, Vice Chair Charkoudian, and Members of the Committee:

On behalf of Civil Justice, Inc., a nonprofit legal services organization and member of Renters United Maryland, I urge an unfavorable report on HB 433.

Civil Justice represents low- and moderate-income Marylanders statewide, with a focus on housing stability and economic justice. Our clients face eviction-related debt, illegal collection practices, and credit reporting harm. For them, consumer protection laws are often the only barrier between stability and displacement.

HB 433 would exempt property managers from Maryland's debt collector licensing requirements without justification. That exemption will increase abusive, deceptive, and harassing collection practices. We already see this conduct despite existing protections.

One client, Ms. T, lived in an unlicensed property. The landlord repeatedly filed failure-to-pay-rent actions that were dismissed due to lack of licensure. Despite clear court warnings that no collection could occur, the landlord banged on her door, threatened her, intimidated her, and attempted illegal eviction to collect money he was not entitled to. She also endured untreated infestations because the landlord refused repairs unless rent was paid.

Another client, Ms. L, was current on rent when she moved out. She had paid into the rent escrow due to unaddressed repairs. In court, the landlord, who was also the property manager, consented to a move-out date and return of escrowed funds. The landlord then appealed the consent order and filed new claims alleging rent arrears, first \$5,000, then \$17,348.21, without explanation. He made repeated demands for payment and sent family members to threaten her. Consumer protection laws were her only meaningful defense.

For renters without attorneys, the only practical accountability tool is the Department of Labor's complaint process. HB 433 would eliminate that protection. Without licensing, the Department loses jurisdiction. Predatory conduct would go unchecked.


Licensing exists to prevent abuse. The Maryland Consumer Debt Collection Act bars false statements, threats, harassment, and misrepresentations of legal authority. Maryland courts have enforced these protections against both licensed and unlicensed actors. Exempting property managers strips away oversight, bonding, and enforcement.

Debt collection is central to property management. Managers collect rent for owners, send delinquency notices, initiate evictions, and are often paid based on the rent they collect. Financial pressure creates incentives for aggressive conduct. Without licensing, bad actors operate without restraint.

There is no separate licensing regime for property managers. Local rental licensing focuses on habitability and registration, not consumer protection. Small landlords are already exempt when they manage their own properties. HB 433 is not needed to protect them.

HB 433 weakens long-standing consumer safeguards and makes renting to families less safe in their homes. For these reasons, we urge an unfavorable report.

Thank you for your consideration.


Mary Migués-Jordan, Esq.
Managing Attorney, Civil Justice, Inc.