

CAROLYN A. QUATTROCKI
Chief Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

CARRIE J. WILLIAMS
Deputy Attorney General

SHARON S. MERRIWEATHER
Deputy Attorney General

ZENITA WICKHAM HURLEY
Deputy Attorney General



**STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION
LENDING & FINANCE UNIT**

ANTHONY G. BROWN
Attorney General

WILLIAM D. GRUHN
Division Chief

WILSON M. MEEKS, III
Unit Chief

PETER V. BERNS
General Counsel

CHRISTIAN E. BARRERA
Chief of Staff

DAVID A. BENNER
Assistant Attorney General

March 27, 2026

TO: The Honorable William C. Smith, Jr., Chair
Judicial Proceedings Committee

FROM: David A. Benner, Assistant Attorney General

RE: House Bill 1520 – Courts – Exemption from Judgment – Alterations and Additions (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports House Bill 1520, sponsored by Delegates Tomlinson, Conaway, Simmons, Taylor, and Valentine. House Bill 1520 would increase the monetary value of the exemption for household goods from judgment attachment for the first time since 2004 and would introduce additional categories of reasonable exemptions, as described below. The Division has historically been supportive of efforts to increase consumer exemptions from judgment collection, which have failed to keep up with increases in the cost of living.

Consumer debt collectors often purchase charged-off consumer debt at a fraction of its face amount and then sue to collect the full amount. These actions frequently go to judgment without a hearing, without proof that the debt is owed, and without a meaningful opportunity for consumers to contest the validity of these debts. Consumers may face default judgments against them due to lack of notice, being unable to take time off work, language barriers, barriers arising from age or lack of sophistication, or the inability to obtain or afford an attorney. Increased exemptions protect consumers by allowing them to maintain their basic needs after a judgment, particularly if the judgment was obtained unfairly.

House Bill 1520 increases the exempt cash value of household goods for the first time since 2004, from the current level of \$1,000, to \$5,000 for most consumers and to \$10,000 for the elderly and for individuals living with disabilities. The legislation further adds a \$10,000 motor vehicle exemption for vehicles “necessary for practice of the debtor’s occupation, trade, or enrollment” in school. This exemption increases to \$25,000 for the elderly and disabled. It also

introduces exemptions for the federal Child Tax Credit and the federal Earned Income Tax Credit.

Given the significant increases in the cost of living in recent years, the Division supports increasing the existing monetary exemption for household goods from judgment attachment for the first time since 2004, and it supports the introduction of certain reasonable new exemptions. The Division asks for a favorable report.

Cc: The Honorable Chris Tomlinson, Frank M. Conaway, Jr., Gary Simmons, Kym Taylor, and William Valentine.

Members, Judicial Proceedings Committee