



**Testimony to the House Judiciary Committee
HB1471 Consumer Protection-Identity Theft
Position: Favorable**

March 11 , 2026

The Honorable Sandy Bartlett, Chair
House Judiciary Committee
Room 100, House Office Building
Annapolis, Maryland 21401
cc: Members, Judicial Proceedings Committee

Chair Bartlett and Members of the Committee:

Economic Action is in strong support of HB1471 and thanks Del. Embry for introducing the legislation. HB1471 establishes consumer protections for victims of debt due to identity theft.

Identity theft debt is debt incurred by someone other than the individual. Credit card identity theft, data breaches, and other tactics represent some ways in which identity theft occurs.

Identity theft is a serious problem for Marylanders. According to a 2024 [Federal Trade Commission](#) report, Maryland is the fifth worst state in the country for identity theft. In 2024, Marylanders filed 111,041 reports of identity theft. The median amount Marylanders lost to identity theft is \$435 and \$198.9 million in losses in 2024. Credit card fraud was the main source of identity theft, accounting for 45% of reports.

When a person's identity is stolen and used to access credit through credit card applications, loan and mortgage applications, and setting up utilities, the victim's credit score will plummet which will harm their efforts to secure new employment, a new apartment, or open new lines of credit. In addition, the individual may experience aggressive debt collection actions and risk extraordinary collection actions including wage and bank account garnishment, as well as a lien on a home. All of these things make it difficult for identity theft victims to be able to rebuild their financial lives. Identity theft victims face particular difficulties asserting these claims in court.

HB1471 addresses this issue by creating a clear, efficient, statutory process to address identity theft:

- Individuals may submit a written notice to a creditor, asserting that the debt owed is identity theft debt.
- Upon notice, collection activity must pause, providing immediate relief and preventing further harm.

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- Upon receipt of the notice, creditors must conduct an investigation of the allegations that the debt is identity theft debt.
- Any debt deemed to be due to identity theft, the creditor must cease collection activities including pending litigation and notification of a consumer credit reporting agency that the debt is due to identity theft.
- Right to sue for violations: If a creditor ignores the notice or continues to harass the survivor, the bill allows the survivor to file a civil action. If they win, they can be awarded damages, court costs, and attorney's fees.
- If the creditor knowingly violated the law, double damages are available.
- Non-Waivable Rights: The bill explicitly states that a consumer cannot waive these protections in a contract, preventing abusers from forcing survivors to sign away these rights.
- Creditors retain the right to pursue the debt from the perpetrator, the party who actually incurred it. The debt is not completely extinguished and the creditor still has an option for collection.

HB1471 establishes a process that addresses the needs of identity theft victims by ensuring they can get a fresh financial start.

For all these reasons, we support HB1471 and urge a favorable report.

Best,

Marceline White
Executive Director

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