



Memorandum in Opposition - MD HB 1198

February 27, 2026

On behalf of PRA Group, Inc. and its wholly-owned subsidiaries (collectively, "PRA"), I am writing to express our concern with **House Bill 1198 ("HB 1198")**. While the bill proposes to provide consumer protections related to coerced debt which would have unintended consequences for consumers and Maryland businesses alike.

PRA is a publicly-traded global company, headquartered in Norfolk, Virginia, that, through its subsidiaries, purchases portfolios of consumer receivables from major banks, and then partners with individuals as they repay their obligations, working toward financial recovery. We are a leader in the nonperforming loan industry and take our leadership obligations within our industry seriously. We work with consumers to resolve their obligations and typically offer a discount on the face value of the debt. In addition, we typically charge no pre-judgment interest or fees on debt we purchase domestically. PRA is also a willing participant in any action that combats unethical consumer practices and those actions in harming both consumers and legitimate businesses.

Coerced debt is a form of financial abuse in which an abusive partner, family member or caregiver forces, manipulates or tricks someone into taking on debt they did not want. Coerced debt is most common among survivors of domestic violence, victims of human trafficking, older adults, foster youth and people with disabilities or the elderly that rely on caregivers, as these groups are more vulnerable to coercive control and financial exploitation.

PRA applauds the legislature in providing victims of coerced debt with additional protections. However, there are provisions in the bill that are logistically and operationally impossible or that may conflict with existing law. To that end, PRA offers the attached redlines, designed to preserve the overall intent of the bill while offering solutions for our concerns.

We stand ready to work with the sponsor on these changes to ensure that legislation passed both protects consumers and is logistically feasible for businesses as well. PRA urges legislature to **amend HB 1198 as attached before considering any final passage.**

Best regards,

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