

Creating Assets, Savings and Hope



2021 Legislative Wrap-Up

CASH Priority Wins

Making Work Pay (SB 496): CASH and Maryland Center on Economic Policy (MDCEP) supported expansions the RELIEF Act made to Maryland's Earned Income Tax Credit (EITC). It absorbed [HB176/SB897](#). Read CASH's and MDCEP's joint statement [here](#).

- Single filers without dependents, who qualify for the Federal EITC, will now receive a 100% match in the Maryland EITC amount for the next 3 tax years. This provision of the bill reaches low-wage earners including first-time expectant mothers, non-custodial parents, aging out foster-youth, and young veterans.
- Filers with dependents, who qualify for the Federal EITC, will now receive a 45% match in the Maryland EITC amount (up from 28%) for the next 3 tax years. The effect of this policy will help raise workers with families out of poverty, provide more resources to benefit the health and education of children and stimulate the economy.

Supporting Immigrant Taxpayers (SB218): After efforts to include ITIN filers in the RELIEF Act failed, this bill was amended and now allows low-income tax-paying immigrant households, who qualify for the Federal EITC, to receive the MD Earned Income Tax Credit (EITC) for the next 3 tax years. As well as creating a \$500 state CTC for extremely low-income families with child(ren) 17 and under with a disability. For more information, please visit [CASA](#).

Ending Abuse in the Save4College Program (SB779): Additional guidelines were added to the legislation of the state 529 contribution match program, Save4College. Now administrators will apply a lifetime limit of \$9,000, use AGI (Adjusted Gross Income) for a more accurate figure for income, account holders must be MD residents, and beneficiaries must be 26 or younger. These changes prevent the abusive practices of a few bad actors and allows the program to function as originally intended, helping low-moderate income families save for future college expenses. To find out more information about Maryland 529 accounts, please visit [here](#).

CASH supported wins, led by awesome partners!

Protecting Patients from Medical Debt (HB 365/SB 514): The [Medical Debt Coalition](#) advocated to protect patients from medical debt collection practices, and passed a bill that prohibits hospitals from placing a lien on any patient's home. For patients who qualify for free or reduced-cost care, hospitals may not garnish wages or charge interest or fees on the debt. Hospitals are also forbidden from submitting negative information to consumer reporting agencies regarding those patients and includes uninsured patients. It also prevents hospitals from launching lawsuits, collections and negative credit reports against a patient with a pending insurance appeal. Along with many other compliance actions meant to protect patients against egregious repercussions of medical debt.

Providing Legal Tax Assistance to Low-Income Marylanders (HB 421/SB 480): The legal nature of taxes is difficult for low-income households navigate. The passage of this bill ensures that the tax clinics for low-income Marylanders run by the University of Maryland School of Law, the University of Baltimore School of Law, and the Maryland Volunteer Lawyer Service will continue to have funding to offer advice regarding tax obligations to low-income households.

Making Legal Name Change Safer (SB581/HB 39): Previously individuals who wished to legally change their name, not in connection to marriage or divorce, were required to publicly publish their intent. This requirement creates personal



safety and privacy risks for individuals who are transgender and survivors of domestic violence. Now an individual may submit a waiver and forgo creating a public record of the name change. To learn more about this issue, please visit [Trans Maryland](#).

Reducing Fees for Pretrial Defendants (HB 316/SB 23): With the plethora of fines and fees assessed against accused individuals the system can contribute to one being only guilty of poverty. With this legislation, people who are deemed indignant will no longer have to bear the burden of home detention monitoring fees during the pretrial phase. For more information, please visit [Jobs Opportunities Task Force](#).

Providing Low-Income Renters a Right to Legal Counsel During Evictions (HB18): Previously the state did not provide tenants with legal advocacy during an eviction. This new law states that renters who earn 50% or less of the area median income are entitled to access to a lawyer while facing eviction proceedings. In addition, landlords must provide tenants with notice of intentions to file for eviction 10 days prior to the filing. For more information, please read the [Renters United 2021 Housing Justice Package](#).

Unfinished Business

Protecting Small Businesses from High-Cost Lending (HB 664/SB 532): CASH Campaign of Maryland supported the prohibition of merchant cash advance transactions. A merchant cash advance is when lenders give businesses a sum of money, and it is repaid by the small business by promising a percentage of future credit or debit card revenues. This is paid by a weekly or daily amount based on their credit or debit revenue until the original amount plus the determined fee are paid off. These agreements can lead to small businesses paying an extreme amount of fees and leaving them in a cycle of debt or facing closure. CASH will continue to advocate for protecting small businesses by regulating sales-based financing transactions.

Making Car Insurance more Affordable (HB 168/HB 21): Under current law, auto insurance companies are permitted to use factors unrelated to a person's driving record in determining rates. We will continue to work to reduce discriminatory practices in establishing rates and promoting access to transportation by prohibiting insurance companies from using credit history to establish rates.

Prohibiting Lawsuits for Medical Debt Under Small Amounts of Money (HB 565): While HB 565 bans hospitals or collection agencies from garnishing the wages of people who qualify for free or reduced-cost care and prohibits liens being placed on the primary home of any former patient who has an unpaid bill, ***there was a removal of a provision that would have prevented institutions from suing to collect relatively small amounts of money.*** HB 565 is a necessary first step, but the [Medical Debt Coalition](#) will continue to search for ways to protect patients from predatory hospital debt collection practices.

Securing Funding for Legal Counsel to Renters Facing Eviction (HB31): While HB18 provides tenants with a right to receive legal counsel during eviction proceedings, the failure of legislators to pass HB31 means this law [lacks a funding source](#). The financial resources to implement HB18 are an essential component of securing greater justice for low-income renters and will become a focus of housing advocates during the next session. CASH will continue to support the priorities of Renters United and other tenant groups. For more information, please view Renters United's [2021 legislative recap](#).

Supporting Non-Profits that Provides Financial and Legal Assistance (HB 585): The number of people who need targeted financial interventions is rising. Funding financial capability and legal services is a key strategy in mediating the consequences of the COVID-19 crisis. This bill aims to provide more resources that can be leveraged in reaching people who are struggling with financial fitness and aiding them in achieving a long lasting recovery. CASH will continue to advocate for the funding of financial capability and legal services.