

# Legislative Agenda for 2010

MCRC advances and protects the interests of Maryland consumers through education and advocacy, and works to ensure fairness and safety in the marketplace.

## **Protecting Finances**

*Many debt settlement firms rely on misleading claims and practices to charge financially struggling families exorbitantly high fees that leave them in worse financial straits. Debt and loan products should include strong consumer protections and affordable rates.*

### **MCRC supports legislation to:**

- Require that debt settlement fees be collected only after the debt is settled.
- Require firms to provide clear disclosures about the cost, timing, and impact of debt settlement on credit scores, collection activities, and the size of the consumer's debt.
- Maintain the current 33% rate for taking out a payday loan and clarify that the interest rate includes all fees so that the real cost of a loan can't rise above the 33% rate.
- Provide consumers clear disclosures about the costs of Refund Anticipation Loans (RALs).
- Enable consumers to purchase auto insurance from the Maryland Auto Insurance Fund (MAIF) on affordable installment plans.

## **Saving Homes and Protecting Employment**

*Maryland should have protections in place to slow the rate of foreclosures and to expand employment opportunities.*

### **MCRC supports legislation to:**

- Provide third-party mediation between homeowners and mortgage lenders to consider alternatives before a home is foreclosed upon.
- Ensure that when a homeowner makes partial payments, those payments are applied to the mortgage's principal and interest.
- Eliminate the use of credit scores in hiring decisions except under special circumstances.

## **Providing Adequate Enforcement Remedies**

*There should be higher fines and penalties for individuals or firms that violate consumers' rights in order to discourage disreputable and misleading behavior.*

### **MCRC supports legislation to:**

- Strengthen Maryland's Consumer Protection Act (CPA) by increasing the amount of damages awarded for violations.
- Provide greater protections for consumers who use a power of attorney.

## **Promoting Smart Energy and Utilities**

*Utility costs, contracts, and terminations should provide consumers with clear protections, disclosures, and assistance when they face financial hardship.*

### **MCRC supports legislation to:**

- Require utilities to offer payment plans to persons who have fallen on hard times.
- Establish a trial period of use for cell phone services during which consumers could terminate the service without penalties.