

ATTORNEY GENERAL'S ACCESS TO JUSTICE TASK FORCE  
CONSUMER PROTECTION COMMITTEE

Wednesday, September 30, 2020  
3:33 pm – 4:39 pm

<b>Participants</b>
Amy Hennen
Angie Barnett
Anthony Davis
Arzhang Navai
Christine Hines
Christopher Dews
David Schlee
Delegate Joseline Peña-Melnyk
Hank Greenberg
Helene Raynaud
Jane Santoni
Joy Sakamoto-Wengel
Kat Hyland
Marceline White
Sarah Coffey Frush

**Agenda**

1. Welcome - -Marceline (5 minutes)
2. Roll – Steve (3 minutes)
3. Review minutes from September 16 meeting- Steve (5 minutes)
4. Recap of process for report, recommendations October to December (Marceline)
5. Debt collection Community Forum recap (Steve)
6. Final priority recommendations (Marceline)
7. Subcommittee Reports 20 minutes
  1. Consumer Education - Robin
  2. Mediation/ADR/ODR/Support services - Amy
  3. Court forms/Notices - Aracely
  4. Court procedures/Access – Kat
  5. Liaison report - Michele
8. New discussion items
9. Set next meeting – 5 minutes

**Committee Discussion**

- I. Meeting called to order at 3:33 p.m.

II. The Committee reviewed minutes from the last meeting. Kat made a motion to accept the minutes; Amy seconded the motion. The motion passed unanimously.

III. Recap of process for report, recommendations Oct to Dec:

Marceline advised us that the next meeting of the Task Force is scheduled for October 15. The Task Force will discuss the recommendations proposed in more detail and decisions as to which the Attorney General will lead on, which the whole Task Force will lead on, and which recommendations other organizations and advocates will take on will be discussed. Steve said that we will need to identify our priority recommendations by the end of the week. However the Subcommittees can continue to flesh out details of what we have come up with. If new issues arise, we can raise those to the Task Force but the major action we need to take is to hone in on what we will be recommending.

IV. Steve said there are two more Community Forums on the eviction process occurring today. He said that the presenters did a great job and thanked Amy, Jane and Inmar for the English language presentation and Roberto Veloso, Jessica Quincosa and Sabrina Wear for their Spanish language presentation. He said that the presentations are available for those who wish to view them on the Attorney General's website on the COVID-19 Access to Justice Task Force page.

Amy said that if debt collection issues change, we can consider doing another Forum.

Marceline said everything went well except we need more time to promote the Forums. There were 9 attendees at the Spanish speaking Forum and 23 at the English version. People thought the presenters did a very good job. Jane believed she should have highlighted that debtors should question the debt or the amount of the debt, not just enter into a pay arrangement. Joy said she thought Jane clearly explained this issue.

Kat noted there is a lot to consider since people don't know if and when they will return to work so we don't want to advise debtors to file bankruptcy too soon. Marceline noted it's difficult to provide advice to debtors because everything is fluid.

Steve said Judge Morrissey reported that cases filed a while ago are now being called and no one is showing up in court.

Amy said she's been seeing egregious breach of lease actions. The Baltimore City affidavit judgment docket is big. There are two dockets, one at 8:30 a.m. and the next at 10:30 a.m. There are roughly 30 debtors in each and Amy serves on average about 10 people on both dockets. So there is a higher response rate in court now, roughly 16 to 17 percent, than before Covid.

The cases being heard now were filed pre-Covid, December 2019 to January 2020.

David S noted that Bank of America and Capital One are pulling out of debt collection cases. They have self-imposed moratoria. Midland Funding and Citibank are continuing to file a lot of cases. Kat noted that Midland Funding is continuing to file liens. Amy said they weren't doing that in Baltimore City.

- V. Marceline discussed our survey results. There were 24 responses, roughly even on the Hotline issue.

On the issue of using 2-1-1 or creating a HOPE-type hotline, slightly more people voted to go with a 2-1-1 system. Helene said much of it comes down to resources so 2-1-1 might be more feasible because that system is already in place. She, however, spoke of mixed experiences with 2-1-1. Marceline agreed the 2-1-1 process was not always smooth so we would need to work on it to get it right.

Marceline reported that redesign of court forms and notices was given high priority in our survey of recommendations. Included in this is that the forms be accessible and clearly written. This is an area in which legislation may be required to make some changes.

Marceline reported on the Committee's top five legislative priorities:

- Establish minimum bank account protection against garnishment
- Protection of minimum amount of income against garnishment
- Eliminate body attachment in debt cases
- Bank account freeze not applicable to military and retirement benefits
- Lower CCU fees

People also thought that a high priority should be placed on ensuring people filing collection actions comply with state laws.

David S noted that judges usually flag statute of limitation issues, but won't ensure that debtors have received required notices. For bail bonds, judges won't ensure language saying that all payment deadlines are part of bonds.

Steve said that with affidavit judgments, the Attorney General's office sought legislation requiring that debt buyers show evidence that they own the debt and that the amount is correct, but the courts objected saying that it would slow court proceedings. Marceline noted that we still need to revisit this enhancement to the system.

Amy objects to body attachments as being very offensive. She tries to keep them from being ordered in child support cases because the working parent would not be able to work. There's a cycle of incarceration that occurs. People try to find work, but receive more jail time.

The Rules Committee is trying to address this, however, David S. said the Committee is overcomplicating the issues.

Steve suggested that maybe we can work to prohibit body attachments from being used if amounts owed are under certain amount. Marceline said Chairman Will Smith had introduced legislation to that effect but it didn't pass. Kat said she thought body attachments could be eliminated without legislation.

Helene had questions about additional issues of concern not being visible on the survey.

Marceline reported they included medical debt: Currently, the MHA is surveying hospitals about debt collection, and results are not finalized. HSCRC did not work on this over the summer due to the COVID-19 situation. Delegate Charkoudian had introduced legislation last session to address medical debt but it was not completed before the session ended early.

Other issues raised as concerns in the survey: student loans, municipal loans, affidavit judgments, suing for the wrong amount—a violation of the debt collection act. The Court of Special Appeals ruled that misrepresenting the amount of the debt does not violate the Act. This should be addressed legislatively.

Amy said City residents are at a disadvantage because small claims judgments become automatic liens but not in other jurisdictions.

Marceline: Pass a transparency in civil litigation act that requires business entities to disclose in state courts like they do in Federal courts. See Rule 7.1

Amy noted that JHH filed its last medical debt lawsuit against a patient in August 2019 and has since canceled all debt in 2020 and has filed no lawsuits since. Marceline noted that Hopkins was still filing cases until April 2020. A major problem is canceling debt and not filing lawsuits is voluntary, not prohibited by law. David S reported that JHH is vacating judgments.

Marceline: like NJ law—must show offered financial payment plans before collections

Next step: Policy and Race Equity Committee will formalize and take it to the next level.

## VI. Subcommittee reports:

- a. Education: There was a joint meeting of this Subcommittee and the Forms and Notices Subcommittee to coordinate their micro-sites, ensuring there aren't overlaps or inconsistencies in information. The micro-sites are being finalized and the next step is to meet with the OAG webmaster.
- b. Mediation/ADR/ODR: Amy reported that they met with Delegate Charkoudian to discuss the Subcommittee's thoughts about how mediation should work. The discussion included using a checklist for triage and mediation to make sure that possible defenses are considered. The Subcommittee also hopes to meet with the

Court's Office of Dispute Resolution, which is currently overseeing the mediation program.

- c. Court Forms and Notices: Steve reported the Subcommittee continues to revise the complaint and summons forms and are determining which the Subcommittee can realistically revise and which would require changes to laws. The Subcommittee is hoping to meet with judges to get their input.
- d. Court Procedures: Kat reported that the Subcommittee has no update.
- e. Liaison report: No report.

- VII. New Discussion items: Steve said he sent information out by email about utility shut off notices and payment plans and asked whether we wanted to meet with Paula Carmody of the Office of People's Counsel.

Amy said that the Maryland Volunteer Lawyers Service, Pro Bono Resource Center and Office of the People's Counsel put on joint trainings on regulated entities such as BGE and Pepco. The trainings do not involve municipal water systems and unregistered entities. Amy pointed out that the moratorium on shut off provisions for regulated entities ended today. Sarah said that the Washington Suburban Sanitary Commission (WSSC)'s system is more straightforward and easier to navigate and more flexible in working out payment arrangements. Marceline said in contrast, Baltimore City Department of Public Works (DPW) is very complicated and that its processes change from time to time. Also, complications are enhanced because of aged infrastructure and the total number of accounts unpaid is high.

The Committee was interested in having Paula Carmody of OPC join us for our next meeting.

- VIII. Next meeting: October 7, 2020 from 3:30 to 5 p.m.

Amy moved to adjourn; David S. seconded. The meeting adjourned at 4:39 p.m.