



Maryland Motor Truck Association

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HEARING DATE: February 22, 2024

BILL NO/TITLE: Senate Bill 559 – Business Regulation – Household Goods Movers – Special Fund and Fees

COMMITTEE: Senate Finance

POSITION: Support

Maryland Motor Truck Association is a not-for-profit trade association that has represented the trucking industry since 1935. Within our organization is a subgroup called the Maryland Movers Conference. This Conference is comprised of more than 60 companies engaged in household goods or office moving, and their suppliers.

In 2019 with the support of our organization and several of our members who testified in favor, the General Assembly passed Senate Bill 712 into law. That legislation required the Department of Labor to issue regulations establishing a licensing and registration program for household goods movers in the state.

Over 30 states require registration of their moving companies. Because Maryland has not been one of them, consumers have had no state agency to go to verify a moving company's status, which can make it difficult to identify if a company is reputable or is a scam artist. It also makes Maryland a state that rogue movers target when opening their businesses because there is no barrier to entry. This leads to scam artists taking advantage of unsuspecting customers with lowball estimates, false promises, and misleading advertising. They then illegally increase the cost of a move dramatically after a consumer's goods are loaded, leaving a consumer with little recourse but to pay the inflated charges or the mover will not give them their possessions.

Five years after its passage, there is still no registration program for movers in Maryland. During the pandemic, the Department had numerous staffing and unemployment insurance claim challenges, which delayed implementation of this program. While the agency is now planning to move forward with the regulations this year, concerns over funding the program so it can operate in perpetuity have been raised. Senate Bill 559 seeks to address this challenge by making a technical correction to the original legislation by specifying that the registration fees paid by moving companies will be deposited into a new Household Goods Movers Registration Fund to cover the costs of administering the program. The Department must set the fees annually to cover the program's approximate costs and may increase the fee each year by a maximum of 12.5% if needed.

Between October 1, 2019, when the program was to have been originally established, and February 1, 2024, the Attorney General's Office received 317 complaints against moving companies in Maryland. It is time to get this program running for the protection of moving consumers and legitimate moving companies. We believe the passage of this legislation will spur that action and urge a favorable report.

About Maryland Motor Truck Association: Maryland Motor Truck Association is a non-profit trade association that has represented the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to support, advocate and educate for a safe, efficient and profitable trucking industry in Maryland.

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