



Maine Credit Union League

2 Ledgeview Drive · Westbrook, ME 04092
Mailing Address: P.O. Box 1236 · Portland, ME 04104
207-773-5671 · 1-800-442-6715
www.maineicul.org

Neither For Nor Against
***LD 558: An Act to Strengthen Consumer Protections by Prohibiting the Report of
Medical Debt on Consumer Reports***
LD 902: An Act to Establish the Medical Debt Relief Program
LD 1030: An Act Regarding the Reporting of Medical Debt on Consumer Reports
Committee on Health Coverage, Insurance and Financial Services
March 25, 2025

Good Afternoon, Senator Bailey, Representative Gramlich, and distinguished members of the Committee on Health Coverage, Insurance and Financial Services,

My name is Krista Simonis and I am the Director of Governmental Affairs at the Maine Credit Union League. The Maine Credit Union League is the trade association for Maine's 48 credit unions and over 750,000 members statewide. We respectfully submit the following testimony **neither for nor against LD 558, 902, and 1030.**

First, we recognize that LD 558, 902, and 1030 take differing approaches to medical debt. However, our position on the reporting of medical debt can be more broadly approached, and we appreciate the opportunity to provide combined testimony.

We appreciate that LD 902 attempts to create a Medical Debt Relief program, and we appreciate the thoughtful consideration in LD 1030 to restrict reporting of medical debt for "surprise" medical bills only.

When approaching lending, each credit union determines their own underwriting standards and appropriate risk. Many credit unions in Maine have decided not to include medical debt when looking at a person's ability to repay a loan. This is a decision that is done at the institution level, and it accounts for the credit union's size, risk tolerance, and existing assets and debts.

The flexibility to have this individualized approach is part of why our national partners, America's Credit Unions, opposed¹ the CFPB rule on this issue. While medical debt is less predictive of default rates than other forms of debt, for credit unions operating with very thin margins this could be valuable data.

Medical debt is a significant burden for many Americans, and it is reflective of the brokenness of our health care system. However, the solution requires far more than just hiding the symptom of medical debt from credit reports. Thank you for hearing our testimony.

¹ ACU Letter to CFPB - Prohibition on Creditors and CRAs Concerning Medical Information - 8.12.24.pdf