
January 19, 2021

Senate Finance Committee

Chairman: Senator Delores G. Kelley

SB 175 - Fiduciary Institutions - Investigation of Financial Abuse and Financial Exploitation - Records Disclosure

Re: Letter of Support

The Maryland Office of the Commissioner of Financial Regulation believes that this legislation will further enhance the ability of fiduciary institutions to protect vulnerable adults against financial exploitation. Financial exploitation of vulnerable adults represents a rapidly growing problem and fiduciary institutions serve an important role in identifying and responding to such exploitation.

The General Assembly has previously recognized this role by adopting legislation requiring fiduciary institutions to report cases of suspected financial exploitation to State adult protective services (APS) agencies and requiring the fiduciary institution to disclose relevant financial records to APS agencies in many situations. However, gaps in the current law may unnecessarily restrict the ability of fiduciary institutions to provide relevant financial records to APS agencies under certain circumstances. Similarly, current laws restrict the ability of APS agencies to share information with fiduciary institutions that could aid such fiduciary institutions in investigating and responding to possible cases of financial exploitation. These gaps and restrictions operate to limit the effectiveness of both fiduciary institutions and APS agencies in combating financial exploitation.

The Maryland Office of the Commissioner of Financial Regulation believes that this legislation closes those gaps and removes those restrictions but does so in a limited manner which does not unnecessarily infringe on consumers' rights of financial privacy or burden fiduciary institutions. Staff from the Maryland Commissioner of Financial Regulation and a number of other interested agencies and stakeholders were afforded the opportunity to provide input into the draft bill.

For that and the foregoing reasons, the Maryland Office of the Commissioner of Financial Regulation supports this legislation.