
By: Delegate Weir

Introduced and read first time: January 31, 1997

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Banking Institutions - Liability to Customer for Fees for Information or Documentation**

3 FOR the purpose of providing that if a banking institution is found to be liable to a
4 customer in a certain action, the banking institution is liable to the customer for 10
5 times the amount of any fee or service charge the banking institution charged the
6 customer for certain information or documentation that the customer requested
7 relating to the action under certain circumstances; defining a certain term; and
8 generally relating to a banking institution's liability to a customer for certain fees or
9 service charges.

10 BY adding to

11 Article - Financial Institutions
12 Section 5-515
13 Annotated Code of Maryland
14 (1992 Replacement Volume and 1996 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Financial Institutions**

18 5-515.

19 (A) IN THIS SECTION "MISHANDLING OF THE ACCOUNT OF A CUSTOMER"
20 INCLUDES:

21 (1) A VIOLATION BY A BANKING INSTITUTION OF TITLE 4 OF THE
22 COMMERCIAL LAW ARTICLE; OR

23 (2) A VIOLATION OF ANY OTHER DUTY A BANKING INSTITUTION OWES
24 TO A CUSTOMER IN HANDLING THE CUSTOMER'S ACCOUNT HELD BY THE BANKING
25 INSTITUTION.

26 (B) IF A BANKING INSTITUTION IS FOUND TO BE LIABLE TO A CUSTOMER IN
27 AN ACTION INVOLVING MISHANDLING OF THE ACCOUNT OF A CUSTOMER OF THE
28 BANKING INSTITUTION, AND THE BANKING INSTITUTION REQUIRED THE
29 CUSTOMER TO PAY A FEE OR SERVICE CHARGE FOR ANY INFORMATION OR
30 DOCUMENTATION THE CUSTOMER REQUESTED FROM THE BANKING INSTITUTION

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1 WHILE INVESTIGATING HOW THE BANKING INSTITUTION HANDLED THE
2 CUSTOMER'S ACCOUNT OR IN PREPARING THE CUSTOMER'S CASE AGAINST THE
3 BANKING INSTITUTION, THE BANKING INSTITUTION SHALL BE LIABLE TO THE
4 CUSTOMER FOR AN AMOUNT EQUALING 10 TIMES THE AMOUNT OF THE FEE OR
5 SERVICE CHARGE THE BANKING INSTITUTION CHARGED THE CUSTOMER FOR THE
6 INFORMATION OR DOCUMENTATION, IN ADDITION TO THE DAMAGES FOR WHICH
7 THE BANKING INSTITUTION IS LIABLE.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 1997.