

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1004 (Delegate Weir)
Commerce and Government Matters

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

This bill requires a banking institution found liable for mishandling a customer's account to pay ten times the amount of any fees the banking institution charged the customer for information or documentation during the customer's investigation into how the institution handled the customer's account. This amount is to be paid in addition to the damages for which the banking institution is liable.

Fiscal Summary

State Effect: None. The bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Minimal impact on a limited number of small businesses. The majority of banks affected by this bill are not small businesses. However, to the extent that small banks are found liable for mishandling a customer's account, these businesses may incur additional expenses as result of the bill's requirement that ten times the fees charged by the bank to the customer to investigate how the bank handled the customer's account. It is assumed that small banks will not be held liable for mishandling accounts on a frequent basis.

Information Source(s): Department of Labor, Licensing, and Regulation (Office of Financial Regulation)

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