

(PRE-FILED)

By: **Chairman, Finance Committee (Departmental - Aging)**

Requested: November 3, 1999

Introduced and read first time: January 12, 2000

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Fiduciary Institutions - Disclosure of a Customer's Financial Record -**
3 **Exception**

4 FOR the purpose of creating a certain exception for a fiduciary institution and its
5 officers, employees, agents, and directors to permit disclosure of a customer's
6 financial record if an officer, employee, agent, or director of the fiduciary
7 institution has reason to believe that the customer has been subjected to
8 exploitation under certain circumstances; providing certain immunity for a
9 fiduciary institution and its officers, employees, agents, and directors that
10 disclose a customer's financial record under certain circumstances; and
11 generally relating to the disclosure of a customer's financial record by a
12 fiduciary institution.

13 BY repealing and reenacting, with amendments,
14 Article - Financial Institutions
15 Section 1-302
16 Annotated Code of Maryland
17 (1998 Replacement Volume and 1999 Supplement)

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

20 **Article - Financial Institutions**

21 1-302.

22 (A) Except as otherwise expressly provided in this subtitle, a fiduciary
23 institution, its officers, employees, agents, and directors:

24 (1) May not disclose to any person any financial record relating to a
25 customer of the institution unless:

26 (i) The customer has authorized the disclosure to that person;

1 (ii) Proceedings have been instituted for appointment of a guardian
2 of the property or of the person of the customer, and court-appointed counsel presents
3 to the fiduciary institution an order of appointment or a certified copy of the order
4 issued by or under the direction or supervision of the court or an officer of the court;

5 (iii) The customer is disabled and a guardian is appointed or
6 qualified by a court, and the guardian presents to the fiduciary institution an order of
7 appointment or a certified copy of the order issued by or under the direction or
8 supervision of the court or an officer of the court;

9 (iv) The customer is deceased and a personal representative is
10 appointed or qualified by a court, and the personal representative presents to the
11 fiduciary institution letters of administration issued by or under the direction or
12 supervision of the court or an officer of the court;

13 (v) The Department of Human Resources requests the financial
14 record in the course of verifying the individual's eligibility for public assistance; [or]

15 (vi) The institution received a request or subpoena for information
16 directly from the Child Support Enforcement Administration of the Department of
17 Human Resources under § 10-108.2 or § 10-108.4 of the Family Law Article or
18 indirectly through the Federal Parent Locator Service under 42 U.S.C. § 666(a)(17);
19 [and] OR

20 (VII) 1. AN OFFICER, EMPLOYEE, AGENT, OR DIRECTOR OF THE
21 FIDUCIARY INSTITUTION HAS REASON TO BELIEVE THAT A CUSTOMER OF THE
22 FIDUCIARY INSTITUTION HAS BEEN SUBJECTED TO EXPLOITATION AS DEFINED IN §
23 14-101 OF THE FAMILY LAW ARTICLE;

24 2. AN OFFICER, EMPLOYEE, AGENT, OR DIRECTOR OF THE
25 FIDUCIARY INSTITUTION HAS FILED A REPORT OF THE SUSPECTED EXPLOITATION
26 WITH A LOCAL DEPARTMENT OF SOCIAL SERVICES IN ACCORDANCE WITH § 14-302(C)
27 OF THE FAMILY LAW ARTICLE; AND

28 3. DISCLOSURE OF THE CUSTOMER'S FINANCIAL RECORD IS
29 LIMITED TO THE LOCAL DEPARTMENT OF SOCIAL SERVICES WHERE THE REPORT
30 WAS FILED; AND

31 (2) Shall disclose any information requested in writing by the
32 Department of Human Resources relative to moneys held in a savings deposit, time
33 deposit, demand deposit, or any other deposit held by the fiduciary institution in the
34 name of the individual who is a recipient or applicant for public assistance.

35 (B) A FIDUCIARY INSTITUTION AND ITS OFFICERS, EMPLOYEES, AGENTS, OR
36 DIRECTORS THAT MAKE A DISCLOSURE UNDER SUBSECTION (A)(1)(VII) OF THIS
37 SECTION ARE NOT LIABLE UNDER STATE LAW TO ANY PERSON FOR ANY:

38 (1) DISCLOSURE OF INFORMATION TO A LOCAL DEPARTMENT OF SOCIAL
39 SERVICES IN ACCORDANCE WITH THIS SECTION; OR

1 (2) ACTION TAKEN IN GOOD FAITH TO COMPLY WITH THE
2 REQUIREMENTS OF THIS SECTION.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2000.