



MD|DC

Credit Union Association

Delegate Dereck Davis  
Room 231  
House Office Building  
Annapolis, Maryland 21401

**HB642:** Consumer Protection – Maryland Consumer Reporting Act – Regulations

**Testimony on Behalf of:** MD|DC Credit Union Association

**Position:** Oppose

Chairman Davis, Vice-Chair Dumais, and Members of the Committee:

The MD|DC Credit Union Association, on behalf of the 77 Credit Unions and their 2.2 million members that we represent in the State of Maryland, appreciates the opportunity to testify on this legislation. Credit Unions are member-owned, not-for-profit financial cooperatives whose mission is to educate and help members achieve financial well-being. We respectfully oppose this bill.

This bill seems to want to create requirements similar to Section 372 (The Financial Institution Data Match (FIDM) program) of The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), without offering any of the same protections as those in Section 466(a)(17)(C) of the Social Security Act.

The requested information is very sensitive (social security number, birth date, demographic information). With the ever-increasing risk of cyber breaches, this information must be protected more now than ever before. With the passage of PRWORA, this type of personal information was deemed necessary to help track down persons delinquent in child support payments due to a rapid increase in these numbers in prior decades. While we understand the need for accurate data matching by consumer reporting companies, the risk involved to financial institutions that provide this information is too high to require it to be submitted without a compelling reason and protection.

Section 466(a)(17)(C) of the Social Security Act states that a financial institution “shall not be liable for disclosing the required information” ...” encumbering or surrendering any assets they hold in response to a notice of lien or levy issued” and “for other action taken in good faith to comply with the requirements...”. This bill provides no similar protections but instead creates a massive amount of liability for financial institutions who would be required to submit the data.

As always, we appreciate the ability to have our voices heard and look forward to a continued partnership. Please reach out to me at [jbratsakis@mddccua.org](mailto:jbratsakis@mddccua.org) or our VP of Advocacy, Rory Murray, at [rmurray@mddccua.org](mailto:rmurray@mddccua.org) with comments or questions.

Sincerely,

John Bratsakis  
President/CEO,  
MD|DC Credit Union Association