



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpm
facebook.com/aarpm

**SB 834 –Consumer Protection – Scam Awareness Pilot Program – Establishment (Don't
Scam Marylanders Act of 2024)
FAVORABLE
Senate Finance Committee
March 6, 2024**

Good afternoon, Chairman Beidle and Members of the Senate Finance Committee. I am Karen Morgan, a member of the Executive Council for AARP Maryland. As you may know, AARP Maryland is one of the largest membership-based organizations in the Free State, encompassing almost 850,000 members. We thank Senator Hester for sponsoring this legislation.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities, and fights for the issues that matter most to families such as health care, employment and income security, retirement planning, affordable utilities, and protection from financial abuse.

This bill would establish, on a pilot basis, a program to identify the most common scams, and their transmission methods, to foster development and dissemination of consumer safety messages so that consumers will have additional information and tools to prevent victimization by these scams.

Make no mistake – we are at war. We are in a war against fraud. Fraud strikes at the very heart of our financial survival and victimizes people of all ages from babies to the most senior among us. A big hurdle in taking on this nemesis is the absence of real-time information. We don't know how much fraud occurs in Maryland. We have estimates and we can make our best guesses on where and how fraud occurs. But we don't really know because so much fraud goes unreported.

One of the best sources for fraud reporting is the Consumer Sentinel Data Book from the Federal Trade Commission. According to the latest data book, in 2023, Maryland ranked fifth highest for reported incidences of fraud, with over \$164 million in total reported fraud losses. Maryland ranked 11th highest in the country for identity theft. These rankings are generally based on self-reported data, with amplification from those people who make reports to law enforcement agencies. This is hard enough to process, but what is even more distressing is that the state rankings based on these reports are only a fraction of the problem. We haven't helped address this problem because family, friends, complete strangers, and even the media are so busy mocking, ridiculing, and blaming the victims instead of the criminals, where the ridicule and blame rightly belong, that many people are ashamed to admit to being victimized by fraud – let alone talking about it in public or reporting it to state and federal agencies.

We need to change this dynamic – and fast. We need to talk about this scourge, stop victim shaming, and actively discuss ways to stop these financial predators. The proposed pilot program

in SB 834 can help the state of Maryland do that. Under the bill, the Division of Consumer Protection in the Office of Attorney General would be charged with identifying the most common types of methods used to scam people. The division would be charged with developing consumer safety messages to help people spot and prevent scams. At AARP, we often say, “if you can spot a scam, you can stop a scam.” The consumer safety messages required by the bill would let people know that they are not alone and that they are not powerless in the war against fraud.

Fraud can affect anyone, regardless of age, education, or life station. That’s why we must take this crime much more seriously than we have up to this point. The development and dissemination of anti-fraud and consumer safety messages required by this bill could help Maryland citizens take steps to protect themselves and their families.

This bill would also require the Division of Consumer Protection to identify and engage relevant stakeholders to provide input on the pilot program, including those in the nonprofit sector. As one of the nonprofit organizations actively engaged in fraud prevention, AARP Maryland stands ready to help the Division accomplish the goals of this bill.

AARP supports SB 834 and respectfully requests the Senate Finance Committee to issue a favorable report. For questions, please contact Tammy Bresnahan, Director of Advocacy for AARP Maryland at tbresnahan@aarp.org or by calling 410-302-8451.