



Testimony to the Senate Finance Committee
HB250: Financial Institutions-Third Party Service Providers-Examinations
Position: Favorable

March 20, 2023

The Honorable Pam Beidle, Chair
Senate Finance Committee
3 East, Miller Senate Office building
Annapolis, MD 21401
cc: Members, Senate Finance Committee

Chair Beidle and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of HB250. HB250 enables the Commissioner of Financial Regulation to examine third-party service providers as to services and activities performed on behalf of a regulated entity as if the regulated entity was providing services or activities. As more and more firms contract or subcontract services and work with global and remote providers, it makes sense to ensure that third-party providers would be subject to examinations for regulated financial services providers and that the Commissioner should have the authority to conduct examinations of third party providers as needed.

For these reasons, we support HB 250 and urge a favorable report.

Best,

Marceline White
Executive Director

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Best,

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