



Maryland Senior Citizens Action Network

MSCAN

AARP Maryland

*Alzheimer's
Association,
Maryland Chapters*

*Baltimore Jewish
Council*

Catholic Charities

*Central Maryland
Ecumenical Council*

Church of the Brethren

*Episcopal Diocese of
Maryland*

*Housing Opportunities
Commission of
Montgomery County*

*Jewish Community
Relations Council of
Greater Washington*

*Lutheran Office on
Public Policy in
Maryland*

*Maryland Association of
Area Agencies on Aging*

*Maryland Catholic
Conference*

*Mental Health
Association of Maryland*

Mid-Atlantic LifeSpan

*National Association of
Social Workers,
Maryland Chapter*

Presbytery of Baltimore

*The Coordinating
Center*

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Testimony in Support of SB 930 Commercial Law – Consumer Wire Transfers – Liability (Elder Fraud Prevention Act of 2024)

Finance Committee

March 6, 2024

The Maryland Senior Citizens Action Network (MSCAN) is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing, health and quality of care needs of Maryland's low and moderate-income seniors.

MSCAN supports SB 930. This bill would enact important protections for older adults, who are often targeted for scams involving wire transfers. Passage of this bill because would help to safeguard older adults from the pervasive threat of fraud executed by wire transfer. This bill would provide the following important protections:

- 1. Limiting Consumer Liability:** One of the most significant protections of this bill is that it would limit consumer liability for damages stemming from unauthorized wire transfers. Many older adults who experience fraud through wire transfers lose thousands of dollars. This safeguard would cap the losses they incur through fraudulent wire transfers.
- 2. Mandating Investigations:** This bill would require that financial institutions conduct thorough investigations into reported unauthorized transfers. This requirement will force financial institutions to evaluate their practices, will protect fraud victims and may result in more prosecutions against the perpetrators of this type of fraud.
- 3. Private Right of Action for Victims to Sue Banks:** Currently, banks have few incentives to screen questionable wire transfers because victims of fraud do not have the right to sue banks that allow these suspicious transactions to go through. This provision would help victims mitigate losses and will incentivize banks to enhance their wire transfer procedures.
- 4. Provisions for Compensation:** In addition to the liability limits above, this bill includes provisions for damages, further protecting victims and deterring would be fraudsters. By allowing for enhanced compensation in cases of egregious misconduct, this measure sends a powerful message to would-be fraudsters while providing a means of restitution for victims.

In summary, this bill represents a vital step in protecting the financial well-being of older adults in an increasingly complex financial world. We strongly endorse this bill and urge its swift passage into law.

