



HB 152 - Consumer Protection - Electronic Funds Transfers - Regulations (Elder Fraud Prevention Act of 2026)

Committee: House Economic Matters Committee

Date: February 10, 2026

Position: Unfavorable

The Maryland Bankers Association (MBA) **OPPOSES** HB 152. This legislation applies the Electronic Funds Transfer Act (EFTA) to wire transfers conducted in Maryland. By imposing requirements that differ from those in place across the rest of the country, HB 152 creates an inconsistent regulatory framework and places Maryland-chartered community banks at a competitive disadvantage within the financial services marketplace.

Wire transfers do not receive the same protections under EFTA because they are governed separately by Article 4A of the Uniform Commercial Code, which treats them as wholesale, high value payment systems rather than consumer electronic transactions. Since wire transfers are typically irrevocable and processed in real time, the law places responsibility on the parties to use agreed upon security procedures rather than providing the error resolution and liability protections that EFTA gives to consumer initiated electronic fund transfers like debit card or ACH transactions. Applying EFTA to wire transfers in Maryland creates inconsistencies and confusion between financial institutions, and will ultimately increase the costs, and decrease accessibility, of wire transfers in Maryland.

Additionally, HB 152 contains a provision that nullifies the legislation if it is ultimately determined to be inapplicable to federally chartered financial institutions. However, if a court of competent jurisdiction issues a stay in litigation concerning that applicability, the bill provides no mechanism to ensure that Maryland-chartered institutions receive equivalent protections during the pendency of the case. As a result, Maryland-chartered banks—many of which are small community institutions—would be required to comply with the legislation while the legal challenge remains unresolved.

Maryland's banks are well-equipped to safeguard consumers from fraud and strongly support legislation that provides additional, effective tools to enhance those protections. However, this legislation imposes penalties on banks without offering any corresponding mechanisms to improve fraud prevention efforts. Accordingly, MBA strongly urges the issuance of an **UNFAVORABLE** report on HB 152.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.