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**HB 152 – Consumer Protection - Electronic Funds Transfers – Regulations
(Elder Fraud Prevention Act of 2026)
House Economic Matters Committee
February 10, 2026
FAVORABLE**

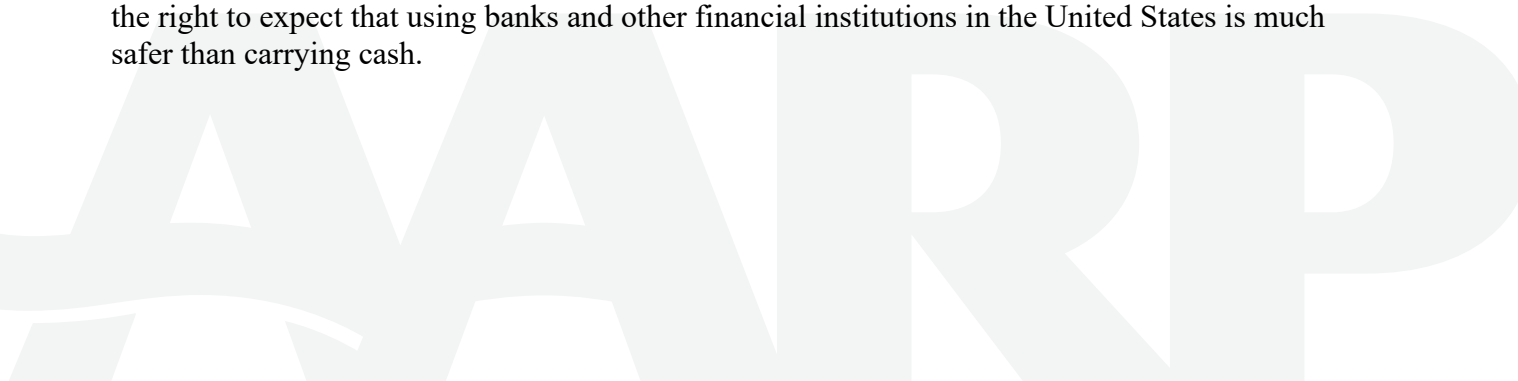
Good afternoon, Chair Valderrama, Vice Chair Charkoudian, and Members of the House Economic Matters Committee. I am Sara Westrick, Advocacy Director for AARP Maryland, which is one of the largest membership-based organizations in the state. We thank Delegate Stewart for sponsoring this legislation.

AARP is a nonpartisan, nonprofit, nationwide organization, representing approximately 850,000 members in Maryland. We help people turn their goals and dreams into real possibilities, strengthen communities, and fight 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.

HB 152 highlights a serious problem with the security of financial transactions. We support HB 152 because state laws and regulations need to be substantially strengthened to protect consumers from fraud when they rely on their financial institutions to initiate electronic funds transfers.

Criminals are increasingly targeting older adults for fraud using a variety of financial products and services such as gift cards, electronic payments, wire transfers, and cryptocurrencies. The Federal Bureau of Investigation found that in 2021, nearly 168,000 people age 50 and older reported being victims of fraud, losing a total of nearly \$3 billion. The average amount lost by a person age 50 and older was over \$17,500.

The federal Electronic Funds Transfer Act creates significant protections for consumers who transfer funds through automated means. The Act covers fund transfers initiated by telephone, automated teller machines, computers, and other electronic means. If a person finds a \$100 charge on their credit card that they did not make, they will most likely get every penny of the bogus charge credited back to their account. A person who finds a charge on their debit card that they did not make will likely have that amount restored – maybe minus \$50, depending on the notification to the financial institution. However, even if federal law authorizes financial institutions to refund all but \$50, that person will likely get all their money back. A consumer has the right to expect that using banks and other financial institutions in the United States is much safer than carrying cash.



The bill leverages significant federal protections for electronic funds transfers and incorporates them into Maryland law. The bill provides the Commissioner of Financial Regulation with specific authority to require financial institutions to do more to protect consumers when they initiate transfers of their hard-earned funds.

This is particularly critical for wire transfers. Home purchases, for example, often require wiring hundreds of thousands of dollars, yet these transactions face greater fraud risk and fewer protections than credit or debit card purchases involving far smaller sums. Consumers reasonably expect the same level of protection when making such high-stakes, life-changing transactions.

When a consumer is deceived into sending a wire transfer, they reasonably believe it is going to the correct party. If the funds are misdirected through no fault of their own, it is unacceptable for financial institutions to claim that nothing can be done. These scams exploit a complex, deadline-driven system in which consumers are doing their best to comply with professional guidance, and the consequences can be devastating.

Scammers often gain access to the email or text accounts of title companies, real estate professionals, or attorneys, using public records and social media to insert themselves into legitimate communications and redirect funds. With sophisticated and readily available fraud tools, these crimes no longer require advanced technical skills.

Financial professionals cannot simply disengage after a fraudulent transfer occurs. More must be done. HB 152 would require proactive regulations to ensure safer financial transactions and reduce the unfair burden on consumers, who are often left to navigate a confusing system on their own. The impact of this fraud is life-altering, particularly for older adults and those planning for retirement.

AARP Maryland supports HB 152 and respectfully requests the committee to issue a favorable report.

If you have any questions, please contact Sara Westrick at swestrick@aarp.org or by calling 410-310-0374.