



February 26, 2026

Hon. Pamela Beidle
Chair, Senate Finance Committee

RE: SB 696 – Financial Institutions – Complaint Database and Analysis – Required
Position: ***Favorable with Amendments***

Chairs Beidle, Vice-Chair Hayes and Committee Members:

The MD|DC Credit Union Association is a trade association representing over 65 credit unions in Maryland, along with their more than 2.3 million members. Maryland credit unions are not-for-profit, member-owned financial cooperatives that serve communities across the State.

As drafted, SB 696 directs the Office to post consumer complaints in narrative form, searchable and downloadable, with personally identifiable information redacted. While we agree that consumers benefit from accessible information about complaint trends, we are concerned that publishing unverified or incomplete narratives could unintentionally turn the database into a “review site” rather than a regulatory tool. A single allegation by a disgruntled individual, even if later found to be unfounded, could cause significant reputational harm to a supervised institution and confuse consumers who may not understand the difference between an allegation and a substantiated violation.

To preserve the bill’s transparency goals while ensuring fairness and accuracy, we respectfully request amendments to:

1. Clarify that only complaints that meet the Office’s criteria as actionable, i.e., within jurisdiction, adequately documented, and accepted for review or investigation, are included in the publicly posted database. This ensures that obviously frivolous, clearly mistaken, or non-jurisdictional complaints are not given the full weight of public posting.
2. Require that the database reflect the status and disposition of each complaint, including whether the complaint was: pending review or investigation; resolved with relief or corrective action; or resolved with no violation found, or otherwise determined to be unfounded or unsupported. In particular, it is important that if a complaint is determined by the Office to be unfounded, unsupported by evidence, outside of the Office’s jurisdiction, or not indicative of a violation, that finding be clearly and prominently reflected in the database entry for that complaint.
3. Specify that the cost of developing, operating, and maintaining the complaint database and related reporting is not funded through additional fees or assessments on regulated



financial institutions. Given the importance of maintaining the Office's independence and avoiding any perception that regulated entities are being required to underwrite a public-facing platform that may contain unverified or ultimately unfounded allegations, we believe the General Fund or another neutral source of State funding is the more appropriate mechanism to support this initiative.

We believe these amendments would improve SB 696 by ensuring that the new complaint database functions as a reliable, regulator-curated source of information for consumers, rather than a general comment or review forum. This balance will advance transparency, provide meaningful data for the Office's quarterly analysis of trends and resolutions, and protect consumers and institutions alike from the unintended consequences of misleading or incomplete information.

With these changes, we would be pleased to support SB 696 and the Office of Financial Regulation's efforts to provide clearer information about complaint trends and outcomes in Maryland's financial services marketplace. Thank you for your consideration and for your ongoing work to protect Maryland consumers.

Respectfully submitted,

Sincerely,

A handwritten signature in blue ink that reads "John Bratsakis". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John Bratsakis
President/CEO
MD|DC Credit Union Association