

## **PRESS RELEASE**

For immediate release:  
January 26, 2018

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### **SENATE PRESIDENT, SPEAKER OF THE HOUSE, FINANCIAL CONSUMER PROTECTION COMMISSION ANNOUNCE RECOMMENDATIONS**

*Commission formed in response to national movement to gut consumer protections*

**Annapolis, MD** – Today, Senate President Thomas V. Mike Miller, Jr., and Speaker of the House Michael E. Busch were joined by Maryland Financial Consumer Protection Commission Chair Gary Gensler, and other members to unveil the bipartisan Interim Recommendations of the Maryland Financial Consumer Protection Commission.

As a watchdog for all Marylanders, the Commission is charged with monitoring and reporting on potential and actual changes to federal financial laws and providing recommendations for State and local action to best protect the residents of the State. The Commission heard from 11 experts on federal financial consumer protections, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and federal efforts to change or weaken these important financial consumer protections.

“In response to the Trump Administration’s attempt to gut consumer protections, Annapolis legislators came together to ensure that we can strengthen protections for Marylanders,” stated Senate President Miller. “I appreciate the hard work of Mr. Gensler and the Commission, and look forward to passing the needed legislation to protect our consumers.”

“Now, more than ever, we need to devote more State resources to protecting Maryland consumer and not less,” said House Speaker Busch. “I want to thank Mr. Gensler and all of our commissioners for their hard work in crafting recommendations for us to implement at both the State and Federal levels.”

The Commission was led by Mr. Gary Gensler. Mr. Gensler served as the 11<sup>th</sup> Chairman of the Commodity Futures Trading Commission, has served as Undersecretary for Domestic Finance, and Assistant Secretary for Financial Institutions in the Department of the Treasury. He was Senior Advisor to US Senator Paul Sarbanes in writing the Sarbanes-Oxley Act, and is a recipient of the 2014 Tamar Frankel Fiduciary Prize.

“With efforts underway in Washington to roll back financial consumer protections, I am pleased to submit the Commission’s unanimously supported report on steps we can take to best protect Marylanders,” said Chairman Gensler.

Key recommendations include:

- Requiring credit reporting agencies such as Equifax to alert consumers of data breaches promptly, and to provide free credit freezes
- Promoting the work of the Office of Financial Regulations under Attorney General Frosh and providing new funding for the Attorney General to pursue consumer protection actions
- Creating a student loan ombudsman to protect student loan recipients
- Cracking down on abusive practices under the Maryland Consumer Protections Act
- Continuing advocacy for financial consumer protections and opposition, when appropriate, by Maryland's Congressional Delegation to legislative and regulatory efforts to reduce financial consumer protections.
- Adopting additional new financial consumer protection laws by the General Assembly to backfill where federal regulators may be stepping back; extending the fiduciary duty standard to all financial professionals providing investment advice; adopting the Model State Consumer and Employee Justice Enforcement Act that addresses forced arbitration clauses; ensuring that the definition "mortgage loan originator" includes retailers of manufactured homes; and filling possible gaps and eliminating loopholes in Maryland's current payday and consumer lending statutes.
- Adopting additional new financial consumer protection laws by the General Assembly where new developments have revealed new risks, such as developments related to student loans; financial technology; virtual currencies such as Bitcoin; and consumer data breaches.

Legislation resulting from the Commission's recommendations will be introduced in the immediate future. The Commission's final report to the legislature, the Governor, and the Maryland Congressional Delegation is due at the end of 2018.

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Created by Senate Bill 884, the Maryland Financial Consumer Protection Commission is tasked with assessing the impact of potential and actual changes to federal financial laws and provide recommendations for State and local action to protect the residents of the State. The Commission's charge is to monitor and report on changes in the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Consumer Financial Protection Bureau, the Security and Exchange Commission, the Commodity Futures Trading Commission, the Pension Benefit Guaranty Corporation, the Department of Labor, the Federal Reserve Board, and other financial protection issues that might affect the Maryland public. SB884 was presented to Governor Hogan during the 2017 legislative session and became law without his signature.

Members of the Commission include:

- **Senate of Maryland Members** – Senator Jim Rosapepe and Senator Joanne Benson
- **House of Delegate Members** – Delegate C. William Frick and Delegate Susan L. M. Aumann
- **Attorney General** – Brian E. Frosh

- **Commissioner of Financial Regulation** – Antonio P. Salazar
- **Member with knowledge about the structure of the federal financial regulatory system** – Gary Gensler, Senior Advisor to the Director, MIT Media Lab and Senior Lecturer, MIT Sloan School of Management; and former Chairman of the U.S. Commodity Futures Trading Commission, Undersecretary of the United States Treasury for Domestic Finance, and Assistant Secretary of the Treasury
- **Members of the Public** - Karren Pope-Onwukwe, Law Office of Karren Pope-Onwukwe, and Robin Barns Shell, Attorney at Law
- **Representative of a consumer advocacy organization** - Eric Friedman, Director, Montgomery County Office of Consumer Protection
- **Representative of a financial institution** - Anne Balcer, Executive Vice President of Congressional Bank and former Maryland Deputy Commissioner of Financial Regulation
- **Member with knowledge about federal laws that impact banking and lending and financial products** - Mark Kaufman, President of City First Enterprises/Executive Vice President of City First Bank; and former Commissioner of Financial Regulation
- **Member with general knowledge about financial banking and lending services in the State** – Rodney H. Staatz, President and CEO, State Employees Credit Union (SECU)

The public has been invited to submit written testimony to this email: [FCPC@mlis.state.md.us](mailto:FCPC@mlis.state.md.us)

Commission hearings are live streamed. Information relating to the Commission, including the 2017 interim report and witness testimony, may be found on the Maryland Department of Legislative Services website: <http://dls.maryland.gov/policy-areas/maryland-financial-consumer-protection-commission> .