



April 17, 2025

**Testimony to the 132<sup>nd</sup> Maine Legislature  
Committee on Health Coverage, Insurance, and Financial Services**

Good afternoon, Senator Bailey, Representative Mathieson, and honorable members of the Committee. My name is Josh Steirman and I am here on behalf of the Maine Bankers Association; we are the trade association representing 34 retail banks operating across the State of Maine, with over 9,000 employees in virtually every community state-wide. Last year, our banks provided over \$2.5 billion in residential real estate loans, and over \$3.2 billion in small business loans. Banks are deeply embedded in their communities: last year, bankers volunteered over 145,000 hours, and donated over \$18 million to charitable causes. Maine bankers are your neighbors, working to provide a safe place for deposits, modern technology solutions, fraud protection, a home mortgage, or a small business loan.

We support L.D.1445, *An Act to Prevent Financial Exploitation of Maine Residents 62 Years of Age or Older*.

Fraud of all types is unfortunately increasing - especially schemes targeting older Mainers. Financial institutions are keenly aware of this challenge and focus considerable resources on our efforts to protect customers. Strong policies and procedures, longstanding trust-based relationships, ongoing customer education, robust communication, and collaboration with law enforcement, are all helpful tools which work. This bill provides another tool in the fight against fraud and elder exploitation.

When a bank customer cashes a check or seeks to access their deposits, the availability of funds is directed by clear guidance from federal bank regulators such as the FDIC and Federal Reserve. The system is built on the principle that customers have a right to receive their funds promptly. Some limited restrictions are in place to allow certain payments, such as large checks, time to clear and fully process. Otherwise, banks seek to give customers prompt access to their own money.

L.D. 1445 would, in certain circumstances, create additional restrictions and limitations on funds availability, which is why we approach the subject with measured caution. Depositors should only be restricted from accessing their own funds when a clear need is present and documented – and this bill does just that, establishing objective standards for thoughtful, constructive protections which will help decrease fraud. The bill includes several elements we view as essential: the financial institution must establish clear policy and procedures, reasonable documentation of suspected abuse must be present, and use of these mechanisms by any financial institution is encouraged but not mandated. We believe this program can prevent financial exploitation, and we encourage passage of the bill.

We thank the sponsor and legislative staff for their outreach and cooperation in drafting, and welcome any questions today or at the work session.

Respectfully Submitted,  
Joshua Steirman  
Director of Government Relations