

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 14 (Delegate Conroy)
Economic Matters

Financial Institutions - Use of Social Security Numbers to Access Account Information

This bill prohibits a financial institution from requiring an individual to provide more than the last four digits of the individual's Social Security Number (SSN) as a condition of accessing the individual's account information. The bill authorizes the Attorney General to institute a civil action and to recover a civil penalty of up to \$1,000 for each violation of the bill. The Attorney General may also seek an injunction to prohibit further violations of the bill. The bill does not apply to requirements that an individual provide more than the last four digits of the individual's SSN if: (1) the individual is opening an account; or (2) the requirement is authorized or required by law.

Fiscal Summary

State Effect: Assuming relatively few enforcement actions are brought under this provision, enforcement could be handled with the existing budgeted resources of the Commissioner of Financial Regulation and the Office of the Attorney General.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Current Law: The State, local governments, local school systems, and public institutions of higher education may not print an employee's SSN on any type of identification card. A local school system and a public institution of higher education

may not print a student's SSN on any type of identification card. The Motor Vehicle Administration may not use, include, or encode, in any form, an individual's SSN on the individual's driver's license. Use of an individual's SSN is not restricted or prohibited in other instances.

Small Business Effect: Most financial institutions already comply with the bill's requirements, including the member institutions of the Maryland Bankers Association. However, for any financial institutions that are small businesses, the costs to reprogram any computer systems or change procedures are assumed to be minimal.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Office of the Attorney General; Department of Legislative Services

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mh/mdr

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