

# HOUSE BILL 435

P1, L6

7lr1121

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By: **Delegate Stein**

Introduced and read first time: January 26, 2017

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Governmental Procedures – Security of Computerized Data – Encryption of**  
3 **Personal Information**

4 FOR the purpose of requiring certain State and local governmental units to secure by  
5 encryption certain personal information of an individual that the unit has collected  
6 as computerized data; and generally relating to the security of computerized data  
7 collected by governmental units.

8 BY repealing and reenacting, without amendments,  
9 Article – State Government  
10 Section 10–1301  
11 Annotated Code of Maryland  
12 (2014 Replacement Volume and 2016 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – State Government  
15 Section 10–1304(a)  
16 Annotated Code of Maryland  
17 (2014 Replacement Volume and 2016 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
19 That the Laws of Maryland read as follows:

20 **Article – State Government**

21 10–1301.

22 (a) In this subtitle the following words have the meanings indicated.

23 (b) “Encryption” means the protection of data in electronic or optical form, in  
24 storage or in transit, using a technology that:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) is certified to meet or exceed the level that has been adopted by the  
2 Federal Information Processing Standards issued by the National Institute of Standards  
3 and Technology; and

4 (2) renders such data indecipherable without an associated cryptographic  
5 key necessary to enable decryption of such data.

6 (c) "Personal information" means an individual's first name or first initial and  
7 last name, personal mark, or unique biometric or genetic print or image, in combination  
8 with one or more of the following data elements:

9 (1) a Social Security number;

10 (2) a driver's license number, state identification card number, or other  
11 individual identification number issued by a unit;

12 (3) a passport number or other identification number issued by the United  
13 States government;

14 (4) an Individual Taxpayer Identification Number; or

15 (5) a financial or other account number, a credit card number, or a debit  
16 card number that, in combination with any required security code, access code, or password,  
17 would permit access to an individual's account.

18 (d) "Reasonable security procedures and practices" means data security  
19 procedures and practices developed, in good faith, and set forth in a written information  
20 security policy.

21 (e) "Records" means information that is inscribed on a tangible medium or that  
22 is stored in an electronic or other medium and is retrievable in perceivable form.

23 (f) "Unit" means:

24 (1) an executive agency, or a department, a board, a commission, an  
25 authority, a public institution of higher education, a unit or an instrumentality of the State;  
26 or

27 (2) a county, municipality, bi-county, regional, or multicounty agency,  
28 county board of education, public corporation or authority, or any other political subdivision  
29 of the State.

30 10-1304.

31 (a) **(1) [To] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, TO** protect  
32 personal information from unauthorized access, use, modification, or disclosure, a unit that

1 collects personal information of an individual shall implement and maintain reasonable  
2 security procedures and practices that are appropriate to the nature of the personal  
3 information collected and the nature of the unit and its operations.

4           **(2) A UNIT SHALL SECURE BY ENCRYPTION ANY PERSONAL**  
5 **INFORMATION OF AN INDIVIDUAL THAT IS COLLECTED BY THE UNIT IN ELECTRONIC**  
6 **OR OPTICAL FORM.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2017.