

SENATE BILL 1047

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8lr1097

By: **Senator Kagan**

Introduced and read first time: February 5, 2018

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Scanning or Swiping Identification Cards and Driver’s**
3 **Licenses – Prohibition**

4 FOR the purpose of prohibiting a person from using a scanning device to scan or swipe an
5 identification card or a driver’s license of an individual to obtain personal
6 information of the individual; prohibiting a person from retaining, selling, or
7 transferring to another person any information collected from scanning or swiping
8 an individual’s identification card or driver’s license under certain circumstances;
9 making a violation of this Act an unfair or deceptive trade practice under the
10 Maryland Consumer Protection Act and subject to certain enforcement and penalty
11 provisions; defining a certain term; providing for the application of this Act;
12 providing that this Act does not prohibit certain actions; and generally relating to
13 scanning or swiping identification cards and driver’s licenses.

14 BY adding to

15 Article – Commercial Law

16 Section 14–1326

17 Annotated Code of Maryland

18 (2013 Replacement Volume and 2017 Supplement)

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

21 **Article – Commercial Law**

22 **14–1326.**

23 **(A) IN THIS SECTION, “SCANNING DEVICE” MEANS A BAR CODE SCANNER, A**
24 **MAGNETIC STRIPE READER, OR ANY OTHER DEVICE OR COMBINATION OF DEVICES**
25 **THAT IS CAPABLE OF DECIPHERING, IN AN ELECTRONICALLY READABLE FORMAT,**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 THE INFORMATION ELECTRONICALLY ENCODED IN A BAR CODE OR MAGNETIC
2 STRIPE.

3 (B) (1) THIS SECTION DOES NOT APPLY TO A PERSON WHO USES A
4 SCANNING DEVICE TO SCAN OR SWIPE AN INDIVIDUAL'S IDENTIFICATION CARD OR
5 DRIVER'S LICENSE TO:

6 (I) VERIFY THE AUTHENTICITY OF THE IDENTIFICATION CARD
7 OR DRIVER'S LICENSE;

8 (II) VERIFY THE AGE OR IDENTITY OF THE INDIVIDUAL WHO
9 POSSESSES THE IDENTIFICATION CARD OR DRIVER'S LICENSE;

10 (III) RECORD, RETAIN, OR TRANSMIT INFORMATION AS
11 REQUIRED BY LAW;

12 (IV) TRANSMIT THE NAME AND IDENTIFICATION CARD NUMBER
13 OR DRIVER'S LICENSE NUMBER OF AN INDIVIDUAL TO A CHECK SERVICE COMPANY:

14 1. FOR THE PURPOSE OF APPROVING, EFFECTING,
15 ADMINISTERING, OR ENFORCING NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS
16 TRANSFERS, OR OTHER SIMILAR METHODS OF PAYMENT; OR

17 2. TO PREVENT FRAUD OR OTHER CRIMINAL ACTIVITY;
18 OR

19 (V) PREVENT FRAUD OR OTHER CRIMINAL ACTIVITY IF:

20 1. THE INDIVIDUAL RETURNS AN ITEM OR REQUESTS A
21 REFUND OR EXCHANGE FOR AN ITEM PURCHASED FROM THE PERSON;

22 2. THE PERSON USES A FRAUD PREVENTION SERVICE
23 COMPANY OR SYSTEM; AND

24 3. THE INFORMATION COLLECTED OR RETAINED IS
25 LIMITED TO THE INDIVIDUAL'S NAME, ADDRESS, AND DATE OF BIRTH, AND THE
26 NUMBER AND ISSUING STATE OF THE INDIVIDUAL'S IDENTIFICATION CARD OR
27 DRIVER'S LICENSE.

28 (2) THIS SECTION DOES NOT APPLY TO A DEPOSITORY INSTITUTION
29 THAT USES A SCANNING DEVICE TO SCAN OR SWIPE AN INDIVIDUAL'S
30 IDENTIFICATION CARD OR DRIVER'S LICENSE IN CONNECTION WITH:

1 **(I) A DEPOSIT ACCOUNT OPENED OR TO BE OPENED BY THE**
2 **INDIVIDUAL AT THE DEPOSITORY INSTITUTION; OR**

3 **(II) A LOAN MADE OR TO BE MADE TO THE INDIVIDUAL OR HELD**
4 **OR SERVICED BY THE DEPOSITORY INSTITUTION.**

5 **(3) THIS SECTION DOES NOT PROHIBIT A PERSON, FOR A LEGITIMATE**
6 **BUSINESS PURPOSE, FROM:**

7 **(I) SCANNING ONLY THE NAME AND ADDRESS FIELDS OF AN**
8 **INDIVIDUAL'S IDENTIFICATION CARD OR DRIVER'S LICENSE AND RETAINING THE**
9 **INFORMATION COLLECTED TO FILL IN FIELDS ON FORMS USED BY THE PERSON FOR**
10 **THE CONVENIENCE OF THE PERSON'S CUSTOMERS; OR**

11 **(II) PHOTOCOPYING THE IDENTIFICATION CARD OR DRIVER'S**
12 **LICENSE OF AN INDIVIDUAL AND RETAINING THE PHOTOGRAPHIC COPY.**

13 **(C) A PERSON MAY NOT:**

14 **(1) USE A SCANNING DEVICE TO SCAN OR SWIPE AN IDENTIFICATION**
15 **CARD OR A DRIVER'S LICENSE OF AN INDIVIDUAL TO OBTAIN PERSONAL**
16 **INFORMATION OF THE INDIVIDUAL;**

17 **(2) RETAIN ANY INFORMATION COLLECTED FROM SCANNING OR**
18 **SWIPING AN INDIVIDUAL'S IDENTIFICATION CARD OR DRIVER'S LICENSE; OR**

19 **(3) SELL OR TRANSFER TO ANOTHER PERSON ANY INFORMATION**
20 **COLLECTED FROM SCANNING OR SWIPING AN INDIVIDUAL'S IDENTIFICATION CARD**
21 **OR DRIVER'S LICENSE EXCEPT AS REQUIRED BY LAW.**

22 **(D) A VIOLATION OF THIS SECTION IS:**

23 **(1) AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE**
24 **MEANING OF TITLE 13 OF THIS ARTICLE; AND**

25 **(2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS**
26 **CONTAINED IN TITLE 13 OF THIS ARTICLE.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2018.