

HOUSE BILL 274

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0lr2876
CF SB 160

By: **Delegate C. Watson**

Introduced and read first time: January 20, 2020

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 3, 2020

CHAPTER _____

1 AN ACT concerning

2 **Financial Institutions – Security Questions and Measures**

3 FOR the purpose of requiring a financial institution that requires a customer to provide an
4 answer to a security question for a certain purpose to allow a customer to choose
5 from at least a certain number of security questions options for each required
6 security question; prohibiting a financial institution from using a customer's
7 mother's maiden name as a means of safeguarding access to the customer's account;
8 providing for the application of this Act; and generally relating to securing the
9 information of customers of financial institutions.

10 BY adding to

11 Article – Financial Institutions

12 Section 1–212

13 Annotated Code of Maryland

14 (2011 Replacement Volume and 2019 Supplement)

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

17 **Article – Financial Institutions**

18 **1–212.**

19 **(A) IF A FINANCIAL INSTITUTION REQUIRES A CUSTOMER TO PROVIDE AN**
20 **ANSWER TO A SECURITY QUESTION IN CONNECTION WITH THE PROVISION OF AN**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ACCOUNT, THE FINANCIAL INSTITUTION SHALL ALLOW THE CUSTOMER TO CHOOSE
2 FROM AT LEAST TWO SECURITY QUESTIONS OPTIONS FOR EACH REQUIRED
3 SECURITY QUESTION.

4 (B) A FINANCIAL INSTITUTION MAY NOT USE A CUSTOMER'S MOTHER'S
5 MAIDEN NAME AS A MEANS OF SAFEGUARDING ACCESS TO THE CUSTOMER'S
6 ACCOUNT.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
8 apply only prospectively and may not be applied or interpreted to have any effect on or
9 application to any customer accounts created before the effective date of this Act.

10 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.