SENATE BILL 639

By: Senator Kagan
Introduced and read first time: February 3, 2022
Assigned to: Finance

A BILL ENTITLED

AN ACT concerning Consumer Protection – Security Questions and Measures

FOR the purpose of prohibiting certain businesses and units of State and local government from using the maiden name of the mother of a customer as a means of safeguarding access to a customer’s account; making a violation of this Act by certain businesses an unfair, deceptive, or abusive trade practice that is subject to enforcement and penalties under the Maryland Consumer Protection Act; authorizing a person to report a certain violation by a unit of State or local government to the Division of Consumer Protection of the Office of the Attorney General; and generally relating to consumer protection and the securing of customer information by businesses and units of State and local government.

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 13–301(14)(xxxiv)
Annotated Code of Maryland
(2013 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,
Article – Commercial Law
Section 13–301(14)(xxxv)
Annotated Code of Maryland
(2013 Replacement Volume and 2021 Supplement)

BY adding to
Article – Commercial Law
Section 13–301(14)(xxxvi) and 14–1327
Annotated Code of Maryland
(2013 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Commercial Law

13–301.

Unfair, abusive, or deceptive trade practices include any:

(14) Violation of a provision of:

(xxiv) The federal Servicemembers Civil Relief Act; [or]

(xxv) § 11–210 of the Education Article; or

(XXXVI) § 14–1327 OF THIS ARTICLE; OR

14–1327.

(A) (1) IN THIS SECTION, “BUSINESS” MEANS A SOLE PROPRIETORSHIP, A
PARTNERSHIP, A CORPORATION, AN ASSOCIATION, OR ANY OTHER BUSINESS
ENTITY, WHETHER OR NOT ORGANIZED TO OPERATE AT A PROFIT.

(2) “BUSINESS” DOES NOT INCLUDE A FINANCIAL INSTITUTION AS
DEFINED IN § 1–101 OF THE FINANCIAL INSTITUTIONS ARTICLE.

(B) A BUSINESS OR A UNIT OF STATE OR LOCAL GOVERNMENT MAY NOT USE
THE MAIDEN NAME OF THE MOTHER OF A CUSTOMER AS A MEANS OF SAFEGUARDING
ACCESS TO THE CUSTOMER’S ACCOUNT.

(C) A VIOLATION OF THIS SECTION BY A BUSINESS IS:

(1) AN UNFAIR, DECEPTIVE, OR ABUSIVE TRADE PRACTICE WITHIN
THE MEANING OF TITLE 13 OF THIS ARTICLE; AND

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

(D) A PERSON MAY REPORT A VIOLATION OF THIS SECTION BY A UNIT OF
STATE OR LOCAL GOVERNMENT TO THE DIVISION OF CONSUMER PROTECTION OF
THE OFFICE OF THE ATTORNEY GENERAL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
apply only prospectively and may not be applied or interpreted to have any effect on or
application to any customer accounts created before January 1, 2023.
SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.