

SENATE BILL 639

I3, P1, L6

2lr1578

By: **Senator Kagan**

Introduced and read first time: February 3, 2022

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Security Questions and Measures**

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

12 BY repealing and reenacting, with amendments,
13 Article – Commercial Law
14 Section 13–301(14)(xxxiv)
15 Annotated Code of Maryland
16 (2013 Replacement Volume and 2021 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Commercial Law
19 Section 13–301(14)(xxxv)
20 Annotated Code of Maryland
21 (2013 Replacement Volume and 2021 Supplement)

22 BY adding to
23 Article – Commercial Law
24 Section 13–301(14)(xxxvi) and 14–1327
25 Annotated Code of Maryland
26 (2013 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Commercial Law**

4 13–301.

5 Unfair, abusive, or deceptive trade practices include any:

6 (14) Violation of a provision of:

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

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

9 (XXXVI) **§ 14–1327 OF THIS ARTICLE; OR**

10 **14–1327.**

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

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

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

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

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

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

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

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

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2022.