



## **House Bill 471 – Financial Institutions – Security Questions and Measures**

### **House Economic Matters Committee**

**February 3, 2021**

#### *Support*

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional and nation-wide banks that employ more than 26,000 Marylanders and hold more than \$182 billion in deposits in over 1,400 branches across our State. The Maryland banking industry serves about 6 million customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking and more.

The Maryland Bankers Association (MBA) supports House Bill 471 – Financial Institutions – Security Questions and Measures. This legislation requires a financial institution to allow a customer to choose from at least two options for each security question if the customer is required to provide an answer to a security question in connection with the provision of an account.

MBA members expend significant efforts to safeguard their customers' accounts from unauthorized access. Use of a security question is frequently one of the protocols used to verify that the person inquiring about the account is actually the person who owns the account. We appreciate the intent of the legislation and support the requirement in the bill that if a financial institution requires a customer to provide an answer to a security question, the customer shall be given the option to choose from at least two options.

The banking industry strongly supports security measures to safeguard customers' access to their bank accounts. It is important that measures used are easily remembered and do not cause undue frustration for bank customers when inquiring about their accounts.

MBA encourages a favorable committee report on HB 471.