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Joint Audit and Evaluation Committee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SB861: ID Swiping

Finance Committee

Wednesday, March 15, 2023 1PM

[SB861](#) will prohibit the scanning of customers driver's licenses except in limited circumstances.. The bill exempts this prohibition for:

- Verifying customer age for the sale of items such as alcohol, tobacco, marijuana, etc. or access to age-restricted places such as bars
- Preventing check-cashing fraud
- Completing financial transactions where ID verification is needed, such as opening a bank account, applying for a loan, etc.
- As part of law enforcement agents acting within the scope of their duties

Technology moves much faster than legislation, which is why this bill is needed. According to [data from the Federal Trade Commission](#) there were over **1.4 million (1,434,676** to be exact) cases of identity theft in 2021, making it by far the most common form of fraud. As collection of consumer data increases, businesses of all sizes are becoming caretakers of our sensitive personal information. Additionally, by 2025, all Marylanders will be required to have a REAL ID to board commercial airlines or enter federal buildings. The Real ID contains even more sensitive data than a standard driver's license—25 vs. 18 categories of personal information—including: driver's license number; organ donor status; home address; date of birth; height; weight; fingerprint; medical information; and court-ordered restrictions. This will create even more avenues for fraud or identity theft. According to [Experian](#), a credit reporting giant, "It's easy to overlook your driver's license, but this little card can be a golden ticket for thieves."

It is unnecessary and dangerous for any business to be allowed to scan and store the details found on a license. There have been numerous high-profile incidents demonstrating that even large corporations do not have the ability to properly secure customers' information. The Identity Theft Resource Center reports that there were [1802 corporate data breaches](#) last year that exposed personal data, affecting companies of all sizes. Twitter (6 million users), AT&T (23 million), Cash App (8 million), and even Chick-Fil-A have had data breaches in the past year. Other data breaches from the past year [include](#):

- T-Mobile,

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- Verizon,
- Uber,
- Toyota,
- American Airlines; and many many more!

12 other states (*both red and blue*) have already acted to defend their consumers by enacting similar legislation—Virginia ('20), New Jersey ('17), Florida ('16), California ('15), Oregon ('15), Ohio ('15), Hawaii ('12), Texas ('10), Georgia ('10), Nebraska ('10), Rhode Island ('04), and New Hampshire ('03). Maryland should join them.

This is a common sense approach—the best defense against a data breach is not collecting the personal information in the first place.

I urge a favorable report on SB861.