# HOUSE BILL 964

## K3, L6, P4 2lr3083 CF SB 433

#### By: Delegates Washington, <u>Tarrant</u>, Anderson, Clippinger, Frush, Love, A. Miller, B. Robinson, S. Robinson, <del>and Smigiel</del> <u>Smigiel</u>, <u>Barkley</u>, <u>Barnes</u>, <u>Braveboy</u>, <u>Hucker</u>, <u>Jameson</u>, <u>McHale</u>, and <u>Vaughn</u>

Introduced and read first time: February 10, 2012 Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 26, 2012

## CHAPTER \_\_\_\_\_

### 1 AN ACT concerning

# Labor and Employment – User Name and Password Privacy Protection <u>and</u> <u>Exclusions</u>

- 4 FOR the purpose of prohibiting an employer from requesting or requiring that an  $\mathbf{5}$ employee or applicant disclose any user name, password, or other means for 6 accessing a personal account or service through certain electronic 7 communications devices; prohibiting an employer from taking, or threatening to 8 take, certain disciplinary actions for an employee's refusal to disclose certain 9 password and related information; prohibiting an employer from failing or 10 refusing to hire an applicant as a result of the applicant's refusal to disclose certain password and related information; prohibiting an employee from 11 downloading certain unauthorized information or data to certain Web sites or 12 Web-based accounts; providing that an employer, based on the receipt of certain 13 information regarding the use of certain Web sites or certain Web-based 14accounts, is not prevented from conducting certain investigations for certain 1516 purposes; defining certain terms; and generally relating to employment and privacy protection. 17
- 18 BY adding to
- 19 Article Labor and Employment
- 20 Section 3–712
- 21 Annotated Code of Maryland
- 22 (2008 Replacement Volume and 2011 Supplement)

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



HOUSE BILL 964

$\frac{1}{2}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
3	Article – Labor and Employment
4	3-712.
<b>5</b>	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
6	MEANINGS INDICATED.
7	(2) "APPLICANT" MEANS AN APPLICANT FOR EMPLOYMENT.
8	(3) (I) "ELECTRONIC COMMUNICATIONS DEVICE" MEANS ANY
9	DEVICE THAT USES ELECTRONIC SIGNALS TO CREATE, TRANSMIT, AND RECEIVE
10	INFORMATION.
11	(II) "ELECTRONIC COMMUNICATIONS DEVICE" INCLUDES
12	COMPUTERS, TELEPHONES, PERSONAL DIGITAL ASSISTANTS, AND OTHER
13	SIMILAR DEVICES.
14	(4) (I) "EMPLOYER" MEANS:
15	1. A PERSON ENGAGED IN A BUSINESS, AN
16	INDUSTRY, A PROFESSION, A TRADE, OR OTHER ENTERPRISE IN THE STATE; OR
17	2. A UNIT OF STATE OR LOCAL GOVERNMENT.
18	(II) "EMPLOYER" INCLUDES AN AGENT, A
19	REPRESENTATIVE, AND A DESIGNEE OF THE EMPLOYER.
90	(D) (1) CUDIECT TO DADAGDADII (2) OF THIS SUBSECTION AN
$\begin{array}{c} 20\\ 21 \end{array}$	(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN EMPLOYER MAY NOT REQUEST OR REQUIRE THAT AN EMPLOYEE OR APPLICANT
$\frac{21}{22}$	DISCLOSE ANY USER NAME, PASSWORD, OR OTHER MEANS FOR ACCESSING A
23	PERSONAL ACCOUNT OR SERVICE THROUGH AN ELECTRONIC COMMUNICATIONS
24	DEVICE.
95	(9) AN EMDLOYED MAY DECLIDE AN EMDLOYEE TO DIGCLOSE ANY
25 26	(2) AN EMPLOYER MAY REQUIRE AN EMPLOYEE TO DISCLOSE ANY USER NAME, PASSWORD, OR OTHER MEANS FOR ACCESSING NONPERSONAL
$\frac{20}{27}$	ACCOUNTS OR SERVICES THAT PROVIDE ACCESS TO THE EMPLOYER'S INTERNAL
28	COMPUTER OR INFORMATION SYSTEMS.

29 (C) AN EMPLOYER MAY NOT:

 $\mathbf{2}$ 

1	(1) DISCHARGE, DISCIPLINE, OR OTHERWISE PENALIZE OR
2	THREATEN TO DISCHARGE, DISCIPLINE, OR OTHERWISE PENALIZE AN
3	EMPLOYEE FOR AN EMPLOYEE'S REFUSAL TO DISCLOSE ANY INFORMATION
4	SPECIFIED IN SUBSECTION (B)(1) OF THIS SECTION; OR
-	
<b>5</b>	(2) FAIL OR REFUSE TO HIRE ANY APPLICANT AS A RESULT OF
6	THE APPLICANT'S REFUSAL TO DISCLOSE ANY INFORMATION SPECIFIED IN
7	SUBSECTION (B)(1) OF THIS SECTION.
8	(D) AN EMPLOYEE MAY NOT DOWNLOAD UNAUTHORIZED EMPLOYER
9	PROPRIETARY INFORMATION OR FINANCIAL DATA TO AN EMPLOYEE'S
10	<u>personal Web site, an Internet Web site, a Web-based account, or a</u>
11	SIMILAR ACCOUNT.
12	(E) THIS SECTION DOES NOT PREVENT AN EMPLOYER:
13	(1) BASED ON THE RECEIPT OF INFORMATION ABOUT THE USE OF
14	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR
$\begin{array}{c} 14 \\ 15 \end{array}$	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM
$\begin{array}{c} 14\\ 15\\ 16\end{array}$	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING
$14 \\ 15 \\ 16 \\ 17$	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR
$\begin{array}{c} 14\\ 15\\ 16\end{array}$	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING
14 15 16 17 18	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR
14 15 16 17 18 19	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE
14 15 16 17 18 19 20	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY
14 15 16 17 18 19 20 21	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB
14 15 16 17 18 19 20 21 22	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE, FROM
14 15 16 17 18 19 20 21 22 23	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE, FROM INVESTIGATING AN EMPLOYEE'S ACTIONS UNDER SUBSECTION (D) OF THIS
14 15 16 17 18 19 20 21 22	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE, FROM
14 15 16 17 18 19 20 21 22 23 24	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE, FROM INVESTIGATING AN EMPLOYEE'S ACTIONS UNDER SUBSECTION (D) OF THIS SECTION.
14 15 16 17 18 19 20 21 22 23	A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE FOR BUSINESS PURPOSES, FROM CONDUCTING AN INVESTIGATION FOR THE PURPOSE OF ENSURING COMPLIANCE WITH APPLICABLE SECURITIES OR FINANCIAL LAW, OR REGULATORY REQUIREMENTS; OR (2) BASED ON THE RECEIPT OF INFORMATION ABOUT THE UNAUTHORIZED DOWNLOADING OF AN EMPLOYER'S PROPRIETARY INFORMATION OR FINANCIAL DATA TO A PERSONAL WEB SITE, INTERNET WEB SITE, WEB-BASED ACCOUNT, OR SIMILAR ACCOUNT BY AN EMPLOYEE, FROM INVESTIGATING AN EMPLOYEE'S ACTIONS UNDER SUBSECTION (D) OF THIS

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.