

SENATE BILL 160

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01r0688

By: **Senators Kagan and Reilly**

Introduced and read first time: January 13, 2020

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions – Security Questions and Measures**

3 FOR the purpose of requiring a financial institution that requires a customer to provide an
4 answer to a security question for a certain purpose to allow a customer to choose
5 from at least a certain number of options for each required security question;
6 prohibiting a financial institution from using a customer’s mother’s maiden name as
7 a means of safeguarding access to the customer’s account; and generally relating to
8 securing the information of customers of financial institutions.

9 BY adding to

10 Article – Financial Institutions

11 Section 1–212

12 Annotated Code of Maryland

13 (2011 Replacement Volume and 2019 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

15 That the Laws of Maryland read as follows:

16 **Article – Financial Institutions**

17 **1–212.**

18 **(A) IF A FINANCIAL INSTITUTION REQUIRES A CUSTOMER TO PROVIDE AN**
19 **ANSWER TO A SECURITY QUESTION IN CONNECTION WITH THE PROVISION OF AN**
20 **ACCOUNT, THE FINANCIAL INSTITUTION SHALL ALLOW THE CUSTOMER TO CHOOSE**
21 **FROM AT LEAST TWO OPTIONS FOR EACH REQUIRED SECURITY QUESTION.**

22 **(B) A FINANCIAL INSTITUTION MAY NOT USE A CUSTOMER’S MOTHER’S**
23 **MAIDEN NAME AS A MEANS OF SAFEGUARDING ACCESS TO THE CUSTOMER’S**
24 **ACCOUNT.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2020.