



MARYLAND COMMISSIONER OF FINANCIAL REGULATION INDUSTRY ADVISORY REGULATORY GUIDANCE



September 8, 2021

Financial Institutions – Security Questions and Measures

During the 2021 session, the General Assembly passed [Senate Bill 185](#), which becomes effective on October 1, 2021, and enacts Md. Code Ann., Financial Institutions (“FI”) § 1-212 for the purpose of improving the security of the financial information of financial institution customers. Based on inquiries received, the Commissioner is supplementing the previously issued [regulatory guidance](#) regarding this new law.

A financial institution may provide its customers with the option to use security questions to access account information, to recover a personal identification number (PIN) or password, or for any other purpose the financial institution deems appropriate.

Effective October 1, 2021, FI § 1-212 will provide that if a financial institution requires a customer to provide an answer to a security question in connection with the provision of an account, the financial institution shall allow the customer to choose from at least two security question options for each required security question. “Financial institution” means any financial institution of the type supervised under this article, whether or not State-chartered pursuant to FI § 1-101(j).

FI § 1-212 applies to any circumstance in which a financial institution requires a customer to use a security question. It may also be helpful to know that the Office of the Commissioner of Financial Regulation interprets “in connection with the provision of an account” as set forth in FI § 1-212, to apply to any access to an account whether on-line, by telephone, or in-person.

Please Note:

On August 11, 2021, the FDIC issued [FIL-55-2021](#), which provides guidance to financial institutions on authentication and access.

Contact:

For questions about this advisory, please contact Michelle A. Denoncourt, Assistant Commissioner - Corporate Activities by phone at (410) 230-6104 or by email at michelle.denoncourt@maryland.gov.

The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at www.labor.maryland.gov/finance.



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