

Preamble

(a) The General Assembly of Maryland finds and declares that:

(1) procedures and policies governing the relationship between fiduciary institutions and government agencies have in some cases developed without due regard to the constitutional rights of customers of those institutions; and

(2) the confidential relationships between fiduciary institutions and their customers must be preserved and protected.

(b) It is the purpose of this Act to protect and preserve the confidential relationship between fiduciary institutions and their customers and to promote commerce by prescribing policies and procedures applicable to the disclosure of customer records by fiduciary institutions.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Sections 224 through 227, inclusive, to be under the new subtitle "Confidential Financial Records" be and they are hereby added to Article 11 - Banks and Trust Companies, of the Annotated Code of Maryland (1968 Replacement Volume and 1975 Supplement) to read as follows:

Article 11 - Banks and Trust Companies

CONFIDENTIAL FINANCIAL RECORDS

224.

(A) FOR THE PURPOSE OF THIS SUBTITLE:

(1) THE TERM "FIDUCIARY INSTITUTION" MEANS:

(I) A COMMERCIAL BANK OR TRUST COMPANY ORGANIZED UNDER THE LAWS OF THE STATE OR OF THE UNITED STATES;

(II) A PRIVATE BANK;

(III) A SAVINGS AND LOAN ASSOCIATION OR A BUILDING AND LOAN ASSOCIATION ORGANIZED UNDER THE LAWS OF THE STATE OR OF THE UNITED STATES;

(IV) AN INSURED INSTITUTION AS DEFINED IN SECTION 401 OF THE NATIONAL HOUSING ACT;

(V) A SAVINGS BANK, INDUSTRIAL BANK, OR OTHER THRIFT INSTITUTION;

(VI) A CREDIT UNION OR INDUSTRIAL