
By: Delegate Hubbard

Requested: August 20, 1996

Introduced and read first time: January 8, 1997

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection - Consumer Reporting Agencies - Notification**

3 FOR the purpose of requiring consumer reporting agencies to provide written notice to
4 certain consumers within a certain period of time about information from sellers of
5 goods and services that may adversely affect consumer reports of the consumers;
6 requiring a notice to contain certain information; prohibiting consumer reporting
7 agencies from using certain information as part of consumer reports until a certain
8 period of time after providing notice to consumers; and generally relating to
9 providing notice to consumers by consumer reporting agencies.

10 BY repealing and reenacting, with amendments,
11 Article - Commercial Law
12 Section 14-1206 and 14-1209
13 Annotated Code of Maryland
14 (1990 Replacement Volume and 1996 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article - Commercial Law
17 Section 14-1207
18 Annotated Code of Maryland
19 (1990 Replacement Volume and 1996 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article - Commercial Law**

23 14-1206.

24 (a) A consumer reporting agency shall, upon request and proper identification of
25 a consumer, provide the consumer:

26 (1) An exact copy of any file on that consumer except any part of the file
27 which contains medical information;

28 (2) A written explanation of codes or trade language used;

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1 (3) A description of the rights of the consumer under this subtitle; and

2 (4) The name, address, and telephone number of the Commissioner.

3 (b) Whenever access to a file or a copy of a file has been furnished to a consumer,
4 the consumer reporting agency may delete the sources of information acquired solely for
5 use in an investigative report and used for no other purpose. If any action is brought by
6 the consumer under this subtitle, the consumer reporting agency shall make such sources
7 available to the plaintiff under appropriate discovery procedures.

8 (C) (1) WITHIN 10 DAYS AFTER RECEIPT OF ANY ITEM OF INFORMATION
9 FROM ANY SELLER OF GOODS OR SERVICES THAT MAY HAVE AN ADVERSE EFFECT
10 ON A CONSUMER REPORT OF ANY CONSUMER, A CONSUMER REPORTING AGENCY
11 SHALL SEND TO THE CONSUMER A WRITTEN NOTICE THAT:

12 (I) INFORMS THE CONSUMER THAT INFORMATION THAT MAY
13 HAVE AN ADVERSE EFFECT ON A CONSUMER REPORT OF THE CONSUMER HAS BEEN
14 RECEIVED BY THE CONSUMER REPORTING AGENCY;

15 (II) IDENTIFIES THE SOURCE OF THE INFORMATION; AND

16 (III) EXPLAINS THE CONTENT OF THE INFORMATION RECEIVED.

17 (2) UNTIL AT LEAST 10 DAYS AFTER PROVIDING NOTICE TO A
18 CONSUMER UNDER PARAGRAPH (1) OF THIS SUBSECTION, A CONSUMER REPORTING
19 AGENCY MAY NOT ENTER OR USE AS PART OF ANY CONSUMER REPORT ANY
20 INFORMATION FROM ANY SELLER OF GOODS OR SERVICES THAT MAY HAVE AN
21 ADVERSE EFFECT ON A CONSUMER REPORT OF THE CONSUMER.

22 14-1207.

23 (a) A consumer reporting agency shall make the disclosures required under §
24 14-1206(a) of this subtitle during normal business hours and on reasonable notice.

25 (b) The disclosures required under § 14-1206(a) of this subtitle shall be made to
26 the consumer:

27 (1) In person if he appears in person and furnishes proper identification;

28 (2) By telephone if he has made a written request, with proper
29 identification, for telephone disclosure and the toll charge, if any, for the telephone call
30 is prepaid by or charged directly to the consumer; or

31 (3) In writing if the consumer makes a written request and furnishes proper
32 identification.

33 (c) Any consumer reporting agency shall provide trained personnel to explain to
34 the consumer any information furnished to him pursuant to § 14-1206 of this subtitle.

35 (d) The consumer shall be permitted to be accompanied by one other person of
36 his choosing, who shall furnish reasonable identification. A consumer reporting agency
37 may require the consumer to furnish a written statement granting permission to the
38 consumer reporting agency to discuss the consumer's file in the person's presence.

1 (e) Except as provided in § 14-1213 of this subtitle, no consumer may bring any
2 action or proceeding in the nature of defamation, invasion of privacy, or negligence with
3 respect to the reporting of information against any consumer reporting agency, any user
4 of information, based on information disclosed pursuant to §§ 14-1206, 14-1207, or
5 14-1212 of this subtitle, except as to false information furnished with malice or wilful
6 intent to injure the consumer. Except as provided in § 14-1213 of this subtitle, no
7 consumer may bring any action or proceeding against a person who furnishes information
8 to a consumer reporting agency in the nature of defamation, invasion of privacy, or
9 negligence for unintentional error.

10 14-1209.

11 (a) Notwithstanding the provisions of subsection (b) of this section, a consumer
12 reporting agency may not impose a fee for:

13 (1) A consumer report provided under § 14-1206(a) of this subtitle 1 time
14 during a 12-month period;

15 (2) A consumer report or disclosure provided under §§ 14-1206(a) and
16 14-1208(e) of this subtitle if the consumer makes a request for the report within 30 days
17 after receipt by the consumer of a notification under § 14-1212 of this subtitle or
18 notification from a debt collection agency affiliated with a consumer reporting agency
19 stating that the consumer's credit rating may be or has been adversely affected; [or]

20 (3) A WRITTEN NOTICE PROVIDED UNDER § 14-1206(C) OF THIS
21 SUBTITLE; OR

22 [(3)] (4) A disclosure made under § 14-1208(e) of this subtitle to a person
23 designated by the consumer of the deletion from the consumer report of information that
24 is found to be inaccurate or can no longer be verified.

25 (b) (1) A consumer reporting agency may charge a consumer a reasonable fee:

26 (i) For a second or subsequent report made during a 12-month period
27 under § 14-1206(a) of this subtitle, not exceeding \$5; and

28 (ii) For furnishing information under § 14-1208(e) of this subtitle, not
29 exceeding the fee that the consumer reporting agency would impose on each designated
30 recipient for a consumer report.

31 (2) The consumer reporting agency shall indicate the amount of the fee to
32 the consumer before providing the report or furnishing the information.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 1997.