

HOUSE BILL 49

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HB 44/97 - ECM

1998 Regular Session  
8lr0328

(PRE-FILED)

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By: **Delegate Hubbard**

Requested: September 9, 1997

Introduced and read first time: January 14, 1998

Assigned to: Economic Matters

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

11 BY repealing and reenacting, with amendments,  
12 Article - Commercial Law  
13 Section 14-1206 and 14-1209  
14 Annotated Code of Maryland  
15 (1990 Replacement Volume and 1997 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article - Commercial Law  
18 Section 14-1207  
19 Annotated Code of Maryland  
20 (1990 Replacement Volume and 1997 Supplement)

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

23 **Article - Commercial Law**

24 14-1206.

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

- 1 (1) An exact copy of any file on that consumer except any part of the file  
2 which contains medical information;
- 3 (2) A written explanation of codes or trade language used;
- 4 (3) A description of the rights of the consumer under this subtitle; and
- 5 (4) The name, address, and telephone number of the Commissioner.

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

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

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

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

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

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

26 14-1207.

27 (a) A consumer reporting agency shall make the disclosures required under §  
28 14-1206(a) of this subtitle during normal business hours and on reasonable notice.

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

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

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

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

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

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

9 (e) Except as provided in § 14-1213 of this subtitle, no consumer may bring  
10 any action or proceeding in the nature of defamation, invasion of privacy, or  
11 negligence with respect to the reporting of information against any consumer  
12 reporting agency, any user of information, based on information disclosed pursuant to  
13 §§ 14-1206, 14-1207, or 14-1212 of this subtitle, except as to false information  
14 furnished with malice or wilful intent to injure the consumer. Except as provided in §  
15 14-1213 of this subtitle, no consumer may bring any action or proceeding against a  
16 person who furnishes information to a consumer reporting agency in the nature of  
17 defamation, invasion of privacy, or negligence for unintentional error.

18 14-1209.

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

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

23 (2) A consumer report or disclosure provided under §§ 14-1206(a) and  
24 14-1208(e) of this subtitle if the consumer makes a request for the report within 30  
25 days after receipt by the consumer of a notification under § 14-1212 of this subtitle or  
26 notification from a debt collection agency affiliated with a consumer reporting agency  
27 stating that the consumer's credit rating may be or has been adversely affected; [or]

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

30 [(3)] (4) A disclosure made under § 14-1208(e) of this subtitle to a  
31 person designated by the consumer of the deletion from the consumer report of  
32 information that is found to be inaccurate or can no longer be verified.

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

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

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

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

3       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 1998.