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By: **Delegate Kelly**

Introduced and read first time: February 5, 1998

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Consumer Protection - Credit Card Issuers - Sale of Information About**  
3                                   **Applicants and Cardholders**

4 FOR the purpose of prohibiting credit card issuers from selling certain information  
5 about an applicant for a credit card or a cardholder without the written consent  
6 of the applicant or cardholder; defining certain terms; and generally relating to  
7 the sale of information about credit card applicants and cardholders by credit  
8 card issuers.

9 BY adding to  
10 Article - Commercial Law  
11 Section 13-319  
12 Annotated Code of Maryland  
13 (1990 Replacement Volume and 1997 Supplement)

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

16                                   **Article - Commercial Law**

17 13-319.

18 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
19 INDICATED.

20 (2) "CARDHOLDER" MEANS A CONSUMER TO WHOM A CREDIT CARD HAS  
21 BEEN ISSUED BY A CREDIT CARD ISSUER.

22 (3) "CONSUMER" MEANS A PROSPECTIVE OR ACTUAL PURCHASER OF  
23 GOODS OR SERVICES PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD  
24 PURPOSES.

25 (4) "CREDIT CARD ISSUER" MEANS A PERSON THAT EXTENDS TO A  
26 CARDHOLDER THE RIGHT TO USE A CREDIT CARD IN CONNECTION WITH  
27 PURCHASES.

1           (5)    (I)       "MARKETING INFORMATION" MEANS THE CATEGORIZATION OF  
2 CARDHOLDERS COMPILED BY A CREDIT CARD ISSUER, BASED ON A CARDHOLDER'S  
3 SHOPPING PATTERNS, SPENDING HISTORY, OR BEHAVIORAL CHARACTERISTICS  
4 DERIVED FROM ACCOUNT ACTIVITY WHICH IS PROVIDED TO A MARKETER OF GOODS  
5 FOR CONSIDERATION.

6                   (II)       "MARKETING INFORMATION" DOES NOT INCLUDE AGGREGATE  
7 DATA WHICH DOES NOT IDENTIFY A CARDHOLDER BASED ON THE CARDHOLDER'S  
8 SHOPPING PATTERNS, SPENDING HISTORY, OR BEHAVIORAL CHARACTERISTICS  
9 DERIVED FROM ACCOUNT ACTIVITY OR ANY COMMUNICATIONS TO ANY PERSON IN  
10 CONNECTION WITH ANY TRANSFER, PROCESSING, BILLING, COLLECTION,  
11 CHARGEBACK, FRAUD PREVENTION, CREDIT CARD RECOVERY, OR ACQUISITION OF  
12 OR FOR CREDIT CARD ACCOUNTS.

13    (B)       A CREDIT CARD ISSUER MAY NOT SELL TO ANY PERSON THE NAME,  
14 ADDRESS, OR SOCIAL SECURITY NUMBER, MARKETING INFORMATION, OR ANY  
15 OTHER IDENTIFYING INFORMATION RELATING TO AN APPLICANT FOR A CREDIT  
16 CARD OR A CARDHOLDER UNLESS THE APPLICANT OR CARDHOLDER CONSENTS TO  
17 THE SALE IN WRITING.

18    (C)    (1)       IF AN APPLICANT FOR A CREDIT CARD OR A CARDHOLDER CONSENTS  
19 AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE CREDIT CARD ISSUER SHALL  
20 NOTIFY THE CARDHOLDER IN EACH SUBSEQUENT BILLING STATEMENT THAT THE  
21 CARDHOLDER HAS THE RIGHT TO REVOKE CONSENT.

22                   (2)       THE CREDIT CARD ISSUER SHALL PROVIDE A PREPRINTED FORM OR  
23 A TOLL-FREE TELEPHONE NUMBER TO ENABLE A CARDHOLDER TO REVOKE  
24 CONSENT.

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