
By: **Delegate Menes**
Introduced and read first time: February 5, 2004
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Reporting Agencies - Satisfaction or Dismissal of Liens**

3 FOR the purpose of requiring a consumer reporting agency to update its records and
4 follow reasonable procedures to assure the timely reporting of information
5 concerning the satisfaction or dismissal of a lien within a reasonable time after
6 the consumer reporting agency receives a certain notice; requiring certain units
7 of the Executive Branch of the State government to notify in writing or by
8 electronic transmission certain consumer reporting agencies that a lien has been
9 satisfied or dismissed within a reasonable time after the unit provides the clerk
10 of the circuit court for the county where the property that is subject to the lien is
11 located with a certain notice; defining certain terms; and generally relating to
12 consumer reporting agencies.

13 BY repealing and reenacting, with amendments,
14 Article - Commercial Law
15 Section 14-1205
16 Annotated Code of Maryland
17 (2000 Replacement Volume and 2003 Supplement)

18 BY adding to
19 Article - State Government
20 Section 10-1201 to be under the new subtitle "Subtitle 12. Tax Liens"
21 Annotated Code of Maryland
22 (1999 Replacement Volume and 2003 Supplement)

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

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Article - Commercial Law

2 14-1205.

3 (a) (1) A consumer reporting agency shall maintain reasonable procedures
4 designed to avoid violations of § 14-1203 of this subtitle and to limit the furnishing of
5 consumer reports to the purposes listed under § 14-1202 of this subtitle.

6 (2) The procedures at a minimum shall require that prospective users of
7 the information identify themselves, certify the purposes for which the information is
8 sought, and certify that the information will be used for no other purpose.

9 (3) A consumer reporting agency shall make a reasonable effort to verify
10 the identity of a new prospective user and the uses certified by the prospective user
11 prior to furnishing the user a consumer report.

12 (4) No consumer reporting agency may furnish a consumer report to any
13 person if it has reasonable grounds for believing that the consumer report will not be
14 used for a purpose listed in § 14-1202 of this subtitle.

15 (b) (1) Whenever a consumer reporting agency prepares a consumer report
16 it shall follow reasonable procedures to assure maximum possible accuracy of the
17 information concerning the individual about whom the report relates.

18 (2) WITHIN A REASONABLE TIME AFTER A CONSUMER REPORTING
19 AGENCY RECEIVES A NOTICE FROM A UNIT OF THE EXECUTIVE BRANCH OF STATE
20 GOVERNMENT UNDER § 10-1201 OF THE STATE GOVERNMENT ARTICLE THAT A LIEN,
21 INCLUDING A TAX LIEN, HAS BEEN SATISFIED OR DISMISSED, THE CONSUMER
22 REPORTING AGENCY SHALL UPDATE ITS RECORDS AND FOLLOW REASONABLE
23 PROCEDURES TO ASSURE THE TIMELY REPORTING OF THE INFORMATION
24 CONCERNING THE SATISFACTION OR DISMISSAL OF THE LIEN.

25 (c) Notwithstanding the provisions of § 14-1202, a consumer reporting agency
26 may furnish identifying information respecting any consumer, limited to his name,
27 address, former addresses, places of employment, or former places of employment, to
28 a governmental agency.

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Article - State Government

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SUBTITLE 12. TAX LIENS.

31 10-1201.

32 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
33 INDICATED.

34 (2) "CONSUMER REPORTING AGENCY" HAS THE MEANING STATED IN §
35 14-1201 OF THE COMMERCIAL LAW ARTICLE.

1 (3) "ELECTRONIC TRANSMISSION" MEANS ANY FORM OF
2 COMMUNICATION, NOT DIRECTLY INVOLVING THE PHYSICAL TRANSMISSION OF
3 PAPER, THAT CREATES A RECORD THAT:

4 (I) MAY BE RETAINED, RETRIEVED, AND REVIEWED BY A
5 RECIPIENT OF THE COMMUNICATION; AND

6 (II) MAY BE REPRODUCED DIRECTLY IN PAPER FORM BY A
7 RECIPIENT THROUGH AN AUTOMATED PROCESS.

8 (4) "UNIT" MEANS A UNIT OF THE EXECUTIVE BRANCH OF THE STATE
9 GOVERNMENT.

10 (B) THIS SUBTITLE APPLIES TO A UNIT THAT FILES A NOTICE OF LIEN,
11 INCLUDING A TAX LIEN, WITH THE CLERK OF THE CIRCUIT COURT FOR THE COUNTY
12 WHERE PROPERTY THAT IS SUBJECT TO THE LIEN IS LOCATED.

13 (C) WITHIN A REASONABLE TIME AFTER A UNIT NOTIFIES THE CLERK OF THE
14 CIRCUIT COURT FOR THE COUNTY WHERE PROPERTY THAT IS SUBJECT TO A LIEN IS
15 LOCATED THAT THE LIEN HAS BEEN SATISFIED OR DISMISSED, THE UNIT SHALL
16 NOTIFY IN WRITING OR BY ELECTRONIC TRANSMISSION EACH CONSUMER
17 REPORTING AGENCY REGULATED UNDER TITLE 14, SUBTITLE 12 OF THE
18 COMMERCIAL LAW ARTICLE THAT THE LIEN HAS BEEN SATISFIED OR DISMISSED.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2004.