
By: **Senator Gladden**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 17, 2004

Rules suspended

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection - Consumer Reporting Agencies - Restriction on**
3 **Furnishing Information**

4 FOR the purpose of prohibiting a consumer reporting agency from furnishing
5 information in a consumer's file to a certain person for a certain period of time if
6 the consumer reporting agency receives certain written notice from the
7 consumer; authorizing the consumer, at any time during a certain period of
8 time, to authorize the consumer agency to furnish information in the consumer's
9 file to a certain person by providing written notice to the consumer reporting
10 agency; authorizing the consumer, at the end of a certain period of time, to
11 restrict the transfer of information in the consumer's file to a certain person for
12 an additional period of time by providing written notice to the consumer
13 reporting agency; and generally relating to consumer reporting agencies.

14 BY repealing and reenacting, with amendments,
15 Article - Commercial Law
16 Section 14-1202
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2003 Supplement)

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

21 **Article - Commercial Law**

22 14-1202.

23 (a) Subject to [subsection (b)] SUBSECTIONS (B) AND (C) of this section and §
24 14-1205 of this subtitle, a consumer reporting agency may furnish a consumer report
25 under the following circumstances and no other:

- 1 (1) In response to the order of a court having jurisdiction to issue the
2 order;
- 3 (2) In accordance with the written instructions of the consumer to whom
4 it relates; or
- 5 (3) To a person which the agency has reason to believe:
- 6 (i) Intends to use the information in connection with a credit
7 transaction involving the consumer on whom the information is to be furnished and
8 involving the extension of credit to, or review or collection of an account of, the
9 consumer;
- 10 (ii) Intends to use the information for employment purposes;
- 11 (iii) Intends to use the information in connection with the
12 underwriting of insurance involving the consumer;
- 13 (iv) Intends to use the information in connection with a
14 determination of the consumer's eligibility for a license or other benefit granted by a
15 governmental instrumentality required by law to consider an applicant's financial
16 responsibility or status; or
- 17 (v) Otherwise has a legitimate business need for the information in
18 connection with a business transaction involving the consumer.

19 (b) If the consumer reporting agency receives written notice from the
20 consumer restricting the sale or other transfer of information in the consumer's file,
21 the consumer reporting agency may not sell, offer to sell, or furnish information in the
22 consumer's file to:

- 23 (1) A mail-service organization;
- 24 (2) A marketing firm; or
- 25 (3) Any other similar organization that obtains information about a
26 consumer for marketing purposes.

27 (C) (1) IF THE CONSUMER REPORTING AGENCY RECEIVES WRITTEN NOTICE
28 FROM THE CONSUMER RESTRICTING THE TRANSFER OF INFORMATION IN THE
29 CONSUMER'S FILE, THE CONSUMER REPORTING AGENCY MAY NOT FURNISH
30 INFORMATION IN THE CONSUMER'S FILE TO A PERSON IDENTIFIED IN SUBSECTION
31 (A)(3)(I) OF THIS SECTION FOR A PERIOD OF 6 MONTHS.

32 (2) AT ANY TIME DURING THE 6-MONTH PERIOD, THE CONSUMER MAY
33 AUTHORIZE THE CONSUMER AGENCY TO FURNISH INFORMATION IN THE
34 CONSUMER'S FILE TO A PERSON IDENTIFIED IN SUBSECTION (A)(3)(I) OF THIS
35 SECTION BY PROVIDING WRITTEN NOTICE TO THE CONSUMER REPORTING AGENCY.

1 (3) AT THE END OF THE 6-MONTH PERIOD, THE CONSUMER MAY
2 RESTRICT THE TRANSFER OF INFORMATION IN THE CONSUMER'S FILE TO A PERSON
3 IDENTIFIED IN SUBSECTION (A)(3)(I) OF THIS SECTION FOR AN ADDITIONAL PERIOD
4 OF 6 MONTHS BY PROVIDING WRITTEN NOTICE TO THE CONSUMER REPORTING
5 AGENCY.

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