

MAINE STATE LEGISLATURE

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R. of S

L.D. 325

(Filing No. H- 125)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 246, L.D. 325, Bill, "An Act to Prohibit the Transfer of Credit Card Information"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec.1. 9-A MRSA §8-304 is enacted to read:

§8-304. Disclosure of lists of the names, addresses and account numbers of credit card holders

1. Except as provided in subsection 2, it is unlawful for a person, business, corporation, partnership, agency, financial institution, credit card registration service or other entity to rent, sell, exchange or otherwise disclose or make available to another person or entity a list containing the names, addresses and account numbers of credit card holders without the express, written permission of the credit card holders.

2. The following disclosures of lists containing the names, addresses and account numbers of credit card holders are not prohibited:

A. Disclosure to or from a consumer reporting agency, as defined in Title 10, section 1312, subsection 4, provided the transfer is for purposes of compliance with and in a manner consistent with the terms of the Fair Credit Reporting Act;

COMMITTEE AMENDMENT

2 B. Disclosure between a parent corporation and a subsidiary
3 or affiliate of that corporation or between subsidiaries or
4 affiliates of a parent corporation;

6 C. Disclosure in connection with the sale or pledge, or
7 negotiation of the sale or pledge, of any portion of a
8 business or the assets of a business, provided that the
9 party to whom disclosure is made shall maintain the
10 confidentiality of the information disclosed;

12 D. Disclosure in connection with the authorization,
13 processing, billing, collection, charge-back, fraud
14 prevention or credit card recovery; and

16 E. Disclosure pursuant to state or federal law or at the
17 direction of a governmental entity pursuant to law or in
18 response to a court order.

20 3. A violation of this section constitutes a violation of
21 the Maine Consumer Credit Code and the Maine Unfair Trade
22 Practices Act.

24 **FISCAL NOTE**

26 The Bureau of Consumer Credit Protection and the Department
27 of the Attorney General will incur some minor additional costs to
28 enforce the prohibition on the transfer of credit card
29 information. These costs can be absorbed within the agencies'
30 existing budgeted resources.

32 The additional workload and administrative costs associated
33 with the minimal number of new cases filed in the court system
34 can be absorbed within the budgeted resources of the Judicial
35 Department. The collection of additional fines may increase
36 General Fund revenues by a minor amount.'

38 **STATEMENT OF FACT**

40 This amendment clarifies that the prohibited activity is the
41 disclosure of a list containing the names, addresses and account
42 numbers of credit card holders. It includes as exceptions
43 disclosures to and from consumer reporting agencies and adds as
44 exceptions disclosures among parent and subsidiaries and
45 affiliates, disclosures in connection with the sale or pledge of
46 a business or the assets of a business, disclosures for
47 collection, billing and fraud prevention, and disclosures
48 pursuant to court order, direction of a governmental entity and
49 state and federal law. It adds a provision that a violation of
50 the provisions is a violation of the Maine Consumer Credit Code.
51

52 The amendment adds a fiscal note.