

Consumer credit; credit bureaus; disclosure of nonpublic financial information to unaffiliated third parties by consumer credit reporting agencies; require written notice and consent of consumer.

CONSUMER CREDIT: Credit bureaus; CONSUMER CREDIT: Other;
CONSUMER PROTECTION: Other; CIVIL RIGHTS: Privacy

A bill to require certain consumer reporting agencies to obtain a consumer's written consent before disclosing nonpublic personal financial information to third parties; and to provide remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Consumer" means an individual.

3 (b) "Consumer report" and "consumer reporting agency" mean
4 those terms as defined in section 603 of the fair credit report-
5 ing act, title VI of the consumer credit protection act, Public
6 Law 90-321, 15 U.S.C. 1681a.

7 (c) "Nonpublic personal financial information" means person-
8 ally identifiable financial information and any list,
9 description, or other grouping of consumers and publicly
10 available information pertaining to them that is derived using

1 any personally identifiable financial information that is not
2 publicly available. Nonpublic personal financial information
3 does not include any of the following:

4 (i) Health and medical information otherwise protected by
5 state or federal law.

6 (ii) Publicly available information.

7 (iii) Any list, description, or other grouping of consumers
8 and publicly available information pertaining to them that is
9 derived without using any personally identifiable financial
10 information that is not publicly available.

11 (d) "Person" means an individual, partnership, corporation,
12 limited liability company, association, governmental entity, or
13 other legal entity.

14 (e) "Personally identifiable financial information" means
15 any of the following:

16 (i) Information a consumer provides to a consumer reporting
17 agency.

18 (ii) Information about a consumer resulting from any con-
19 sumer transaction.

20 (iii) Information a consumer reporting agency otherwise
21 obtains about a consumer in connection with preparing or provid-
22 ing a consumer report concerning that consumer.

23 (f) "Publicly available information" means any information
24 that a consumer reporting agency has a reasonable basis to
25 believe is lawfully made available to the general public from
26 federal, state, or local government records, by wide distribution
27 by the media, or by disclosures to the general public that are

1 required to be made by federal, state, or local law. A consumer
2 reporting agency has a reasonable basis to believe that informa-
3 tion is lawfully made available to the general public if both of
4 the following apply:

5 (i) The consumer reporting agency has taken steps to deter-
6 mine that the information is of the type that is available to the
7 general public.

8 (ii) If an individual can direct that the information not be
9 made available to the general public, that the consumer has not
10 directed that the information not be made available to the gen-
11 eral public.

12 (g) "Third party" means a person other than a consumer
13 reporting agency or a consumer who is the subject of a consumer
14 report prepared by the consumer reporting agency.

15 Sec. 2. A consumer reporting agency shall not disclose non-
16 public personal financial information to a third party about a
17 consumer unless the consumer reporting agency has provided the
18 consumer with notice of the proposed disclosure and obtained the
19 consumer's written consent to the disclosure.

20 Sec. 3. A consumer may bring a civil action against a con-
21 sumer reporting agency that violates this act, and may recover
22 actual damages or \$1,000.00, whichever is greater, plus reason-
23 able attorney fees.