

**PROHIBIT SALE OF CONFIDENTIAL
INFORMATION**

House Bill 4198
Sponsor: Rep. Gloria Schermesser
Committee: Commerce

Complete to 7-25-01

A SUMMARY OF HOUSE BILL 4198 AS INTRODUCED 2-13-01

The bill would create a new act to prohibit the sale, exchange, transfer, or trade of an individual's confidential information under certain circumstances. Confidential information would include a person's name, address, Social Security number, telephone number, account number at a financial institution, credit record, or investment record. Any such information that was obtained either during the negotiation of or as part of an agreement executed in this state for either the sale of a good or service or for providing credit to the individual could not be sold, exchanged, transferred, or traded. In addition, refusing to enter into such a transaction unless the individual consented to allowing the sale or other transfer of his or her confidential information would be prohibited.

Confidential information that was received as part of a transaction in this state could only be sold or otherwise transferred if the sale or transfer were expressly authorized by federal law, or if the party proposing to transfer or sell the information had obtained written consent from the person whose information was to be sold or transferred. Written confirmation would be required to be in 12-point print or larger and in substantially the following form:

"CONSENT TO DISCLOSURE OF CONFIDENTIAL INFORMATION

BY SIGNING THIS CONSENT FORM, I GIVE UP MY RIGHT UNDER MICHIGAN LAW TO PROHIBIT _____ FROM SELLING, EXCHANGING, TRANSFERRING, OR TRADING MY NAME, ADDRESS, SOCIAL SECURITY NUMBER, TELEPHONE NUMBER, ACCOUNT NUMBER AT A FINANCIAL INSTITUTION, CREDIT RECORD, OR INVESTMENT RECORD. I UNDERSTAND THAT MICHIGAN LAW PROHIBITS _____ FROM REFUSING TO PROVIDE A GOOD OR SERVICE OR TO EXTEND CREDIT TO ME SOLELY BECAUSE I FAIL TO CONSENT TO THE WAIVER OF MY RIGHT TO KEEP CONFIDENTIAL INFORMATION DESCRIBED IN THIS CONSENT FORM.

SIGNATURE."

A person who violated the bill's provisions by selling or otherwise transferring confidential information without appropriate consent would be liable for civil damages of \$5,000 for each violation to the individual whose information has been sold or transferred.

Analyst: J. Caver

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.