

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE BILL 1088  
Committee Substitute Favorable 4/29/03

Short Title: Consumers' Right-to-Know Act.

(Public)

Sponsors:

Referred to:

April 10, 2003

A BILL TO BE ENTITLED

AN ACT TO REQUIRE CREDIT REPORTING AGENCIES TO NOTIFY CONSUMERS WHEN THE AGENCIES RECEIVE, WITHIN A TWELVE-MONTH PERIOD PERTAINING TO A CONSUMER, THREE CREDIT INQUIRIES OR A REPORT THAT WOULD ADD NEGATIVE INFORMATION TO THE CONSUMER'S CREDIT FILE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 1 of Chapter 75 of the General Statutes is amended by adding a new section to read:

**"§ 75-36. Credit reporting agencies disclosure to consumers required.**

(a) Every consumer reporting agency shall notify a consumer, by letter sent by first-class mail, that the consumer reporting agency will provide the consumer with a disclosure copy of the consumer's credit file at no charge and a toll-free telephone number to call to request the copy, when any one of the following events occurs within a 12-month period:

(1) The consumer reporting agency has received three credit inquiries pertaining to the consumer.

(2) The consumer reporting agency has received a report that would add negative information to the consumer's file.

(b) Every consumer reporting agency is required to send only one letter to a consumer per 12-month period pursuant to subsection (a) of this section even if more than one event occurs relating to the consumer that initiated the letter in that period.

(c) Any letter mailed to a consumer pursuant to subsection (a) of this section shall not contain any identifying information particular to that consumer, including social security number, place of employment, date of birth, or mother's maiden name.

(d) Any letter mailed to a consumer pursuant to subsection (a) of this section may be a form letter; except that each letter shall advise the consumer of the number and type of events that occurred relating to the consumer that initiated the letter.

1       (e) Every consumer reporting agency shall, upon the request of a consumer,  
2 provide the consumer with one disclosure copy of the consumer's file per year at no  
3 charge whether or not the consumer has made the request in response to the notification  
4 required under subsection (a) of this section. If the consumer requests more than one  
5 disclosure copy of the consumer's file per year pursuant to this subsection, the consumer  
6 reporting agency may charge the consumer up to nine dollars (\$9.00) for each additional  
7 disclosure copy.

8       (f) As used in this section, the term 'consumer reporting agency' means any  
9 person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly  
10 engages in whole or part in the practice of assembling or evaluating consumer credit  
11 information or other information on consumers for the purpose of furnishing consumer  
12 reports to third parties."

13               **SECTION 2.** This act becomes effective January 1, 2004.