

1999 ASSEMBLY BILL 101

February 9, 1999 – Introduced by Representatives SCHNEIDER, TRAVIS, STASKUNAS, MUSSER, POCAN, AINSWORTH, J. LEHMAN, BOCK, MILLER, BLACK, KREUSER, GOETSCH, RYBA, KRUG, GRONEMUS, GUNDERSON and BOYLE, cosponsored by Senators ERPENBACH, FARROW and DARLING. Referred to Committee on Judiciary and Personal Privacy.

1 **AN ACT to create** 138.25 of the statutes; **relating to:** credit card records and
2 providing a penalty.

Analysis by the Legislative Reference Bureau

Current law is silent regarding a person's authority to sell information about credit cardholders. Under this bill, a person (which includes a corporation) may not sell information about Wisconsin residents that is obtained from credit card transaction records. The bill provides for certain exceptions from this prohibition. First, the bill excepts disclosures to credit reporting agencies for the purpose of preparing a credit report. The bill also contains certain exceptions for disclosing information to affiliates of the issuer and to contractors or agents of the issuer for the purpose of performing functions for or on behalf of the issuer. Persons violating the disclosure provisions created in the bill are subject to a forfeiture of not more than \$10,000 for each violation. The bill also authorizes the department of justice to bring actions in circuit court to enjoin violations of the disclosure provisions.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 138.25 of the statutes is created to read:
4 **138.25 Credit card records. (1) DEFINITIONS.** In this section:
5 (a) "Cardholder" has the meaning given in s. 943.41 (1) (b).

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1 (b) “Consumer report” has the meaning given in 15 USC 1681a (d).

2 (c) “Consumer reporting agency” has the meaning given in 15 USC 1681a (f).

3 (d) “Financial transaction card” has the meaning given in s. 943.41 (1) (em).

4 **(2) DISCLOSURE PROHIBITED.** Except as provided in sub. (3), a person may not
5 disclose to another person, for money or anything else of value, any information or
6 data about a cardholder who is a resident of this state that is obtained by the person
7 from financial transaction card transaction records.

8 **(3) EXCEPTIONS.** A person may disclose information about a cardholder if any
9 of the following apply:

10 (a) The disclosure is made to a consumer reporting agency for purposes of a
11 consumer report.

12 (b) The disclosure is made to or by persons that are affiliated with the issuer
13 of the financial transaction card by common ownership or control solely for the
14 purpose of performing functions for or on behalf of the issuer. The affiliated person
15 may not disclose any information received pursuant to this paragraph to a person
16 other than the issuer, unless the issuer could make the disclosure under this section.

17 (c) If the issuer of the financial transaction card is a retailer, the disclosure is
18 made to or by contractors or agents of the issuer for the purposes of performing
19 functions for or on behalf of the issuer. The contractor or agent may not disclose any
20 information received pursuant to this paragraph to a person other than the issuer,
21 unless the issuer could make the disclosure under this section.

22 **(4) FORFEITURE.** A person who violates sub. (2) may be required to forfeit not
23 more than \$10,000 for each violation. Each disclosure of information or data about
24 one cardholder constitutes a separate violation.

