

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 1049

Short Title: Discount Card Privacy Protection Act. (Public)

Sponsors: Senators Metcalf; Dannelly, Hagan, Harris, Rand, and Wellons.

Referred to: Commerce.

April 5, 2001

A BILL TO BE ENTITLED

AN ACT TO CREATE THE DISCOUNT CARD PRIVACY PROTECTION ACT.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 66 of the General Statutes is amended by adding a new Article to read:

"Article 41.

"Discount Card Privacy Protection Act.

"§ 66-340. Short title.

This Article shall be cited as the Discount Card Privacy Protection Act.

"§ 66-341. Definitions.

As used in this Article, unless the context requires otherwise, the term:

- (1) "Affiliate" means a person who controls, is controlled by, or is under common control of another person.
- (2) "Customer" means any individual who purchases goods or services for personal use from a merchant through the use of a discount card.
- (3) "Discount card" means any card or membership issued by a merchant to a customer based on the customer's supplying to the merchant personal information in exchange for various discounts and other benefits generally made available to similar customers issued a card or membership.
- (4) "Merchant" means a person who sells goods or services at retail or wholesale to the general public or an affiliate of a person who sells goods or services at retail or wholesale to the general public.
- (5) "Personal information" means any information supplied by a customer to a merchant in consideration for a discount card, including name, address, telephone number, electronic mailing address, date of birth, social security number, drivers license number, and any other unique

1 identifying information, and any information collected concerning the
2 customer arising from the customer's transactions with the merchant.

3 **"§ 66-342. Privacy protections.**

4 No merchant shall disclose to any other person any personal information of a
5 customer without the customer's authorizing in writing the release of specific personal
6 information to a specific person.

7 **"§ 66-343. Remedies.**

8 (a) The Attorney General may investigate any complaints received alleging
9 violations of this Article. If, after investigating a complaint, the Attorney General finds
10 that there has been a violation of this Article, the Attorney General may bring an action
11 to impose a civil penalty and to seek any other appropriate relief, including equitable
12 relief to restrain the violation pursuant to G.S. 75-14. Actions for civil penalties under
13 this section shall be consistent with the provisions of G.S. 75-15.2, except that the
14 penalty imposed for a violation of this section shall not exceed five hundred dollars
15 (\$500.00) per violation.

16 (b) A customer whose personal information is disclosed in violation of this
17 Article may bring either or both of the following actions in the General Court of Justice:

18 (1) An action to enjoin further violations.

19 (2) An action under Chapter 75 of the General Statutes as an unfair trade
20 practice with a minimum recovery of five hundred dollars (\$500.00) in
21 damages for each violation."

22 **SECTION 2.** This act becomes effective October 1, 2001.