

House Bill 1096

By: Representatives Barnes of the 84<sup>th</sup>, Post 2, Dodson of the 84<sup>th</sup>, Post 1, Barnard of the 121<sup>st</sup>, Post 1, Wix of the 33<sup>rd</sup>, Post 1, and Shaw of the 143<sup>rd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to  
2 unfair or deceptive acts or practices in consumer transactions declared unlawful, so as to  
3 require consumer notification by regular mail or e-mail before a furnisher of information to  
4 a consumer reporting agency reports derogatory information to the consumer reporting  
5 agency; to require such notification include the name of the provider of the derogatory  
6 information and the substance of the derogatory information; to provide for related matters;  
7 to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to unfair or  
11 deceptive acts or practices in consumer transactions declared unlawful, is amended by  
12 striking paragraph (29) of subsection (b) and inserting in its place the following:

13 "(29) With respect to any consumer reporting agency:

14 (A) Any person who knowingly and willfully obtains information relative to a  
15 consumer from a consumer reporting agency under false pretenses shall be guilty of a  
16 misdemeanor;

17 (B) Any officer or employee of a consumer reporting agency who knowingly and  
18 willfully provides information concerning an individual from the agency's files to a  
19 person not authorized to receive that information shall be guilty of a misdemeanor; ~~and~~

20 (C) Each consumer reporting agency which compiles and maintains files on consumers  
21 on a nation-wide basis shall furnish to any consumer who has provided appropriate  
22 verification of his or her identity two complete consumer reports per calendar year,  
23 upon request and without charge; and

24 (D) As used in this subparagraph, the term 'derogatory information' means any  
25 information which negatively impacts the credit worthiness, credit standing, credit  
26 capacity, character, or general reputation of the consumer. Prior to sending any

1 derogatory information to a consumer reporting agency, any furnisher of information  
2 to a consumer reporting agency shall notify the consumer by regular mail or e-mail of  
3 the name of the provider of the derogatory information and the substance of the  
4 derogatory information to be furnished to the consumer reporting agency. The furnisher  
5 of information to a consumer reporting agency shall give the consumer five business  
6 days from the receipt of the notification to dispute the derogatory information. The  
7 consumer's objections must be in writing and detail the reasons the consumer objects  
8 to the derogatory information being furnished to a consumer reporting agency. Upon  
9 receipt of the consumer's objections, the furnisher of information to a consumer  
10 reporting agency shall conduct an investigation of the consumer's allegations. The  
11 furnisher of information shall be required to confer by telephone or other verifiable  
12 means with the consumer in an attempt to resolve such dispute prior to sending the  
13 derogatory information to the consumer reporting agency. The provisions of Code  
14 Section 10-1-397 shall govern the enforcement of the provisions contained in this  
15 subparagraph;"

## 16 SECTION 2.

17 All laws and parts of laws in conflict with this Act are repealed.