

Senate Bill 130

By: Senators Mullis of the 53rd and Rogers of the 21st

**AS PASSED SENATE**

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling  
2 and other trade practices, so as to provide a short title; to provide for legislative intent; to  
3 provide a definition; to establish procedures and requirements for the electronic  
4 lease-purchase of goods; to provide for data and personal information protection practices;  
5 to provide that persons entering into electronic lease-purchase agreements shall receive  
6 certain information and have certain rights with regard to the goods that are the subject of  
7 such agreements; to provide for certain requirements for merchants with regard to websites  
8 and data transmission; to provide for related matters; to repeal conflicting laws; and for other  
9 purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 style="text-align:center">**SECTION 1.**

12 Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling and other  
13 trade practices, is amended by adding a new article to read as follows:

14 style="text-align:center">"ARTICLE 23A

15 10-1-690.

16 (a) This article shall be known and may be cited as the 'Electronic Lease-Purchase of  
17 Goods Act.'

18 (b) This article is for the purpose of enabling electronic commerce in lease-purchase  
19 transactions and to require security measures to safeguard consumer private information,  
20 including their identity and financial information.

21 10-1-691.

22 As used in this article, the term 'lease-purchase goods' means personal property used by a  
23 lessee primarily for personal, family, or household purposes and acquired under a  
24 lease-purchase agreement as defined in Code Section 10-1-681.

25 10-1-692.

26 (a) A lessor who wishes to offer lease-purchase goods to a natural person may enter into  
27 such a transaction electronically so long as all of the requirements of Article 23 of this  
28 chapter are met in addition to the requirements of this article.

29 (b) A lessor entering into a transaction with a lessee using electronic media in any form,  
30 including, but not limited to, the Internet, telephone, and SMS messaging, may obtain  
31 electronic signatures or recorded verbal authorizations from a lessee to do so, consistent  
32 with all requirements of Chapter 12 of this title, the 'Georgia Electronic Records and  
33 Signatures Act,' and provided that a lessee's affirmative consent to electronic  
34 communication is obtained.

35 (c) A lessor shall utilize the best available data protection practices in the electronic  
36 lease-purchase of goods, consistent in all respects with the following:

37 (1) Data collected shall be used only for the specific purpose for which it is collected and  
38 shall be relevant and not excessive in relation to the purpose for which it is collected;

39 (2) A lessee shall expressly consent to the use of electronic communication, including  
40 electronic processing and retention of personal data for purposes of this article;

41 (3) A lessor shall take appropriate technical and organizational measures against  
42 unauthorized or unlawful processing of personal information and against accidental loss,  
43 theft, or destruction of, or damage to, a lessee's personal data, consistent with all  
44 applicable state and federal laws;

45 (4) A lessee shall be provided with information about safeguards in place designed to  
46 protect personal information submitted electronically; and

47 (5) A lessee shall have a means of updating personal information on file with a lessor.

48 (d) A lessor shall provide an electronic copy of the final lease-purchase agreement that the  
49 lessee may print or store electronically, provided that the lessee shall be responsible for  
50 ensuring that the computer or other electronic device used has sufficient memory to store  
51 the agreement and any software or hardware needed for the viewing, printing, and storage  
52 of the agreement.

53 (e) A lessor shall maintain a published privacy policy, readily available to all visitors to  
54 the lessor's Internet website, which details the purposes for which a lessee's personal  
55 information is being collected and the manner in which it will be used, including identity  
56 verification and compliance with all applicable state and federal laws.

57 (f) A lessor shall utilize best industry practices to verify an individual's identity prior to  
58 entering into a lease-purchase agreement, consistent with applicable laws, in order to  
59 minimize incidences of identity fraud or theft.

60 (g) A lessor shall maintain at least one physical location within the State of Georgia. Such  
61 location, its local telephone number, and the operating hours thereof shall be disclosed on  
62 the lessor's Internet website.

63 (h) A lessor's Internet website shall clearly disclose one or more methods whereby a lessee  
64 may contact the lessor at no cost, such as a toll-free telephone number and a toll-free  
65 facsimile number, and the hours during which the lessor will be available to respond.

66 (i) A lessor may elect to ship lease-purchase goods to a lessee by common carrier,  
67 provided that the lessor shall develop and maintain a system for the lessee to report  
68 problems regarding the sale or delivery to the lessor. Methods for reporting problems shall  
69 be clearly displayed on the lessor's Internet website.

70 (j) A lessee shall have the right to inspect lease-purchase goods to confirm that they are  
71 in good working order on the day of delivery and to contact the lessor to request a suitable  
72 replacement at no cost to the lessee if the lease-purchase goods are not in good working  
73 order at the time of delivery.

74 (k) A lessor shall clearly disclose on its Internet website a lessee's right to return  
75 lease-purchase goods to the lessor without penalty upon the lessee's early termination of  
76 the lease-purchase agreement.

77 10-1-693.

78 Nothing in this article shall be interpreted or construed to authorize any transactions  
79 prohibited by Chapter 17 of Title 16."

80 **SECTION 2.**

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