

Senate Bill 548

By: Senators Summers of the 13th, Dickerson of the 21st, Hodges of the 3rd, Williams of the 25th, Still of the 48th and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 4 of Chapter 9 of Title 16 of the Official Code of Georgia Annotated,  
2 relating to fraud and related offenses, so as to exempt certain for profit organizations from  
3 the term "credit repair services organization"; to provide for related matters; to repeal  
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 SECTION 1.

7 Article 4 of Chapter 9 of Title 16 of the Official Code of Georgia Annotated, relating to fraud  
8 and related offenses, is amended by adding a new subparagraph to paragraph (2) of  
9 subsection (a) of Code Section 16-9-59, relating to operation of credit repair services  
10 organization, as follows:

11 "(C) 'Credit repair services organization' also does not include any credit repair  
12 organization, as defined by 15 U.S.C. Section 1679a, that complies with the following  
13 consumer protections:

14 (i) Obtains a bond in the amount of \$50,000.00, which shall be filed with the office  
15 of the Attorney General pursuant to rules and regulations promulgated by such  
16 department and shall remain in place for at least one year after the credit repair  
17 services organization has ceased all activities in this state, and which shall be used to

18 cover administrative fines or civil damages suffered by any buyer or through any  
19 enforcement action; and

20 (ii) Provides:

21 (I) A written contract to the buyer setting out the services such credit repair services  
22 organization provides and the amount that will be due each month for such services;

23 (II) An information statement informing the buyer of the buyer's right to challenge  
24 and dispute items on a credit report on his or her own; stating that the credit repair

25 services organization will only challenge or dispute items that the buyer affirms are  
26 either unfair, inaccurate, or unsubstantiated; and informing the buyer of the right to

27 proceed against the bond along with the name and address of the bond surety; and

28 (III) A notice of cancellation that informs the buyer of the right to rescind the  
29 agreement within ten business days after entering into the contract and the right to

30 cancel services at any time, along with a preprinted form containing the mailing  
31 address of the credit repair services organization."

32 **SECTION 2.**

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