HOUSE BILL No. 6107

May 8, 2008, Introduced by Reps. Jackson and Dean and referred to the Committee on Banking and Financial Services.

A bill to amend 2003 PA 215, entitled

"Credit union act,"

(MCL 490.101 to 490.601) by adding section 388.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 388. (1) BEFORE A DOMESTIC CREDIT UNION SELLS OR

2 OTHERWISE TRANSFERS ANY PERSONAL IDENTIFYING INFORMATION CONCERNING

3 A MEMBER, BORROWER, OR OTHER INDIVIDUAL TO ANOTHER PERSON, THE

4 DOMESTIC CREDIT UNION SHALL PROVIDE A NOTICE TO THAT INDIVIDUAL

5 THAT INDICATES WHAT PERSONAL IDENTIFYING INFORMATION THE DOMESTIC

6 CREDIT UNION IS TRANSFERRING AND THE REASON FOR THE TRANSFER,

7 IDENTIFIES THE TRANSFEREE OF THAT INFORMATION, AND INCLUDES A

8 TELEPHONE NUMBER OR OTHER CONTACT INFORMATION FOR THE DOMESTIC

9 CREDIT UNION THAT THE INDIVIDUAL MAY USE TO NOTIFY THE DOMESTIC

1 CREDIT UNION CONCERNING ANY ERRORS IN HIS OR HER PERSONAL

2 IDENTIFYING INFORMATION. THE DOMESTIC CREDIT UNION SHALL NOT SELL

3 OR OTHERWISE TRANSFER THAT INDIVIDUAL'S PERSONAL IDENTIFYING

4 INFORMATION FOR AT LEAST 10 DAYS AFTER PROVIDING THE NOTICE.

5   (2) A DOMESTIC CREDIT UNION SHALL PROVIDE A NOTICE REQUIRED

6 UNDER THIS SECTION BY PROVIDING 1 OR MORE OF THE FOLLOWING TO THE

7 RECIPIENT:

8   (A) WRITTEN NOTICE SENT TO THE RECIPIENT AT THE RECIPIENT'S

9 POSTAL ADDRESS IN THE RECORDS OF THE DOMESTIC CREDIT UNION.

10   (B) WRITTEN NOTICE SENT ELECTRONICALLY TO THE RECIPIENT IF ANY

11 OF THE FOLLOWING ARE MET:

12   (*i*) THE RECIPIENT HAS EXPRESSLY CONSENTED TO RECEIVE ELECTRONIC

13 NOTICE.

14   (*ii*) THE DOMESTIC CREDIT UNION HAS AN EXISTING BUSINESS

15 RELATIONSHIP WITH THE RECIPIENT THAT INCLUDES PERIODIC ELECTRONIC

16 MAIL COMMUNICATIONS AND BASED ON THOSE COMMUNICATIONS THE DOMESTIC

17 CREDIT UNION REASONABLY BELIEVES THAT IT HAS THE RECIPIENT'S

18 CURRENT ELECTRONIC MAIL ADDRESS.

19   (*iii*) THE DOMESTIC CREDIT UNION CONDUCTS ITS BUSINESS PRIMARILY

20 THROUGH INTERNET ACCOUNT TRANSACTIONS OR ON THE INTERNET.

21   (C) IF NOT OTHERWISE PROHIBITED BY STATE OR FEDERAL LAW,

22 NOTICE GIVEN BY TELEPHONE BY AN INDIVIDUAL WHO REPRESENTS THE

23 DOMESTIC CREDIT UNION IF ALL OF THE FOLLOWING ARE MET:

24   (*i*) THE NOTICE IS NOT GIVEN IN WHOLE OR IN PART BY USE OF A

25 RECORDED MESSAGE.

26   (*ii*) THE RECIPIENT HAS EXPRESSLY CONSENTED TO RECEIVE NOTICE BY

27 TELEPHONE, OR IF THE RECIPIENT HAS NOT EXPRESSLY CONSENTED TO

1   **RECEIVE NOTICE BY TELEPHONE, THE DOMESTIC CREDIT UNION ALSO**

2   **PROVIDES NOTICE UNDER SUBDIVISION (A) OR (B) IF THE NOTICE BY**

3   **TELEPHONE DOES NOT RESULT IN A LIVE CONVERSATION BETWEEN THE**

4   **INDIVIDUAL REPRESENTING THE DOMESTIC CREDIT UNION AND THE RECIPIENT**

5   **WITHIN 3 BUSINESS DAYS AFTER THE INITIAL ATTEMPT TO PROVIDE**

6   **TELEPHONIC NOTICE.**

7   **(3) A NOTICE UNDER THIS SECTION SHALL MEET ALL OF THE**

8   **FOLLOWING:**

9   **(A) FOR A NOTICE PROVIDED UNDER SUBSECTION (2)(A) OR (B), BE**

10   **WRITTEN IN A CLEAR AND CONSPICUOUS MANNER AND CONTAIN THE CONTENT**

11   **REQUIRED UNDER SUBSECTION (2).**

12   **(B) FOR A NOTICE PROVIDED UNDER SUBSECTION (2)(C), CLEARLY**

13   **COMMUNICATE THE CONTENT REQUIRED UNDER SUBSECTION (2) TO THE**

14   **RECIPIENT OF THE TELEPHONE CALL.**

15   **(4) AS USED IN THIS SECTION, "PERSONAL IDENTIFYING**

16   **INFORMATION" MEANS THAT TERM AS DEFINED IN SECTION 3 OF THE**

17   **IDENTITY THEFT PROTECTION ACT, 2004 PA 452, MCL 445.63.**

18   Enacting section 1. This amendatory act does not take effect

19   unless all of the following bills of the 94th Legislature are

20   enacted into law:

21   (a) Senate Bill No. ____ or House Bill No. 6099(request no.

22   05635'07).

23   (b) Senate Bill No. ____ or House Bill No. 6100(request no.

24   05636'07).

25   (c) Senate Bill No. ____ or House Bill No. 6101(request no.

26   05637'07).

27   (d) Senate Bill No. ____ or House Bill No. 6102(request no.

1 05638'07).

2   (e) Senate Bill No. ____ or House Bill No. 6103(request no.

3 05639'07).

4   (f) Senate Bill No. ____ or House Bill No. 6104(request no.

5 05979'07).

6   (g) Senate Bill No. ____ or House Bill No. 6105(request no.

7 05980'07).

8   (h) Senate Bill No. ____ or House Bill No. 6106(request no.

9 05981'07).