

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 974

Short Title: No Credit Card Number on Checks.

(Public)

Sponsors: Representatives Anderson; Bowman and Justus.

Referred to: Economic Expansion.

April 19, 1991

A BILL TO BE ENTITLED

AN ACT TO PROTECT PURCHASERS AND DISCOURAGE FRAUD BY PROHIBITING A PERSON FROM REQUESTING OR RECORDING, AS A CONDITION OF ACCEPTING A CHECK, A CREDIT CARD NUMBER OR ANY OTHER PERSONAL IDENTIFICATION INFORMATION ON A CHECK OR OTHER DRAFT.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 75 of the General Statutes is amended by adding a section to read:

"§ 75-36. Conditions for cashing a check.

(a) Subject to the provisions of subsection (b) of this section, as a condition of accepting a check or other draft as payment for consumer credit, goods, realty, or services, no person shall:

(1) Request or record the account number of any credit card; or

(2) Record on the check or other draft any other personal identification information

of the drawer of the check or other draft.

(b) The provisions of this section do not prohibit a person from:

(1) Requesting the drawer to display a credit card or driver's license for the sole purpose of identification or credit worthiness;

(2) Requesting or recording the type or issuer of a credit card of the drawer; or

(3) Recording the number and expiration date of a credit card,

1 if the person requesting the information has agreed with the credit card issuer to cash
2 checks as a service to the issuer's cardholders and the issuer has agreed to guarantee
3 payment of the checks of the cardholder cashed by that person.

4 (c) A person aggrieved by a violation of this section shall be entitled to institute
5 an action to recover his actual damages or one hundred dollars (\$100.00), whichever is
6 greater, and to injunctive relief against any person who has engaged, is engaged, or is
7 about to engage in any act in violation of this section. Such action shall be brought in
8 the general district or superior court, whichever is appropriate, of the county in which
9 the defendant resides or has a place of business. In the event the aggrieved party
10 prevails, he may be awarded a reasonable attorney fee and court costs.

11 (d) Nothing in this section shall create any liability for acts by any employee or
12 agent of a person, where that employee or agent has acted in accordance with the
13 directions of his employer.

14 (e) As used in this section:

15 (1) 'Drawer' means the individual who makes or signs a check or other
16 draft.

17 (2) 'Draft' does not include a credit or debit card sales draft."

18 Sec. 2. This act becomes effective October 1, 1991.