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H.622

Introduced by Representatives Kitzmiller of Montpelier, Bissonnette of
Winooski, Botzow of Pownal, Clerkin of Hartford, Dickinson
of St. Albans Town, Marcotte of Coventry, Shand of
Weathersfield, Turner of Milton and Wilson of Manchester

Referred to Committee on

Date:

Subject: Banking; consumer protection; solicitation; trigger leads

Statement of purpose: This bill proposes to provide limitations, disclosure
requirements, and remedies relating to trigger lead solicitations of consumers.

An act relating to solicitation by prescreened trigger lead information

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 8 V.S.A. § 206 is added to read:

§ 206. TRIGGER LEAD SOLICITATIONS

(a) In this section:

(1) "Consumer" means a natural person residing in this state.

(2) "Trigger lead" means information about a consumer, including the
consumer's name, address, telephone number, and an identification of the
amount, terms, or conditions of credit for which the consumer has applied,
that is:

1 (A) submitted by a financial institution to a consumer-reporting
2 agency for the purpose of obtaining a credit report, as defined in 9 V.S.A.
3 § 2480a, in conjunction with the consumer's application for credit; and

4 (B) furnished by the consumer-reporting agency to a third party that
5 is not affiliated with the financial institution or the credit-reporting agency.

6 (3) "Trigger lead solicitation" means a written or verbal offer or attempt
7 to sell any property, rights, or services to a consumer based on a trigger lead.

8 (b) A person conducting a trigger lead solicitation shall disclose to a
9 consumer in the initial phase of the solicitation that:

10 (1) the person is not affiliated with the financial institution to which the
11 consumer has submitted an application for credit; and

12 (2) the financial institution to which the consumer has submitted an
13 application for credit has not supplied the person with any personal or financial
14 information.

15 (c) Failure to comply with subsection (b) of this section shall be an unfair
16 or deceptive act in commerce in violation of 9 V.S.A. § 2453.

17 (d) A financial institution which has had its name, trade name, or trademark
18 misrepresented in a trigger lead solicitation in violation of this section may, in
19 addition to any other remedy provided by law, bring an action in superior court
20 in the county of its primary place of business, or if its primary place of
21 business is located outside Vermont, in Chittenden or Washington superior

1 court. The court shall award damages for each violation in the amount of
2 actual damages demonstrated by the financial institution or \$5,000.00,
3 whichever is greater. In any successful action for injunctive relief or for
4 damages, the court shall award the financial institution reasonable attorney's
5 fees and costs, including court costs.

6 Sec. 2. EFFECTIVE DATE.

7 This act shall take effect upon passage.