

JUDICIARY SUBCOMMITTEE ON CRIMINAL LAW AND CONSUMER PROTECTION

Senator Jerry Moran, Chairman

February 27, 1991 - Room 522-S - 10:05 a.m.

SB 181 - procedure for correcting inaccuracies in consumer reports. (Bill requested by Senator Bogina)

PROPOSERS:

Senator Gus Bogina (ATTACHMENT I)
Steve Boda, Shawnee (ATTACHMENT II)

OPPOSERS:

Walter N. Scott, Jr., Associated Credit Bureaus of Kansas (ATTACHMENT III)
William Shaw, Credit Bureau of Topeka, Inc. (ATTACHMENT IV)

Subcommittee recommendation: to amend line 42, page 1, and line 5, page 2, as recommended by the Credit Bureau of Topeka, Inc.; and to recommend favorable for passage as amended.

SB 246 - increased penalties under Consumer Protection Act; violations against senior citizens and disabled persons.

PROPOSERS:

Art Weiss, Dept. AG, Consumer Protection Div. (ATTACHMENT V)
Kansas Department on Aging (ATTACHMENT VI)

OPPOSERS:

None appeared.

Subcommittee recommendation: to amend by striking everything with the exception of section 3; and to recommend as favorable for passage as amended.

SB 247 - prohibits sellers from requiring a consumer to respond to a notice order to avoid purchasing goods.

PROPOSERS:

Shelly Gasper, Asst. AG, Consumer Protection Div. (ATTACHMENT VII)

OPPOSERS:

None appeared.

Subcommittee recommendation: to recommend favorable for passage as written.

*Criminal Law & Consumer Protection Sub-
Committee, I, 02/27/91*

STATE OF KANSAS

AUGUST BOGINA, JR., P.E.
SENATOR, TENTH DISTRICT
JOHNSON COUNTY
5747 RICHARDS CIRCLE
SHAWNEE, KS 66216



TOPEKA

SENATE CHAMBER
STATE CAPITOL
TOPEKA, KANSAS 66612
(913) 296-7362

COMMITTEE ASSIGNMENTS
CHAIRMAN: WAYS AND MEANS
CHAIRMAN: LEGISLATIVE POST AUDIT
VICE CHAIR: GOVERNMENTAL ORGANIZATION
MEMBER: FINANCE COUNCIL

Mr. Chairman and Members of the Subcommittee:

It has been the experience of some of our fellow citizens that when a credit rating agency errs in their reporting of your personal consumer's file, it is impossible to have that error corrected and duly noted. A resident of our state has a bad relationship with the credit rating company named TRW. He will explain that problem to you.

I would ask that you would correct this inequity and cause justice and right to prevail in this wrong situation.

I urge your support of this proposal.

Thank you.

Respectfully submitted,


August Bogina, Jr., P.E.
Senator, Tenth District

AB:pb

*Subcommittee - Senate Judiciary
2-27-91
Attachment 1*

*Criminal Just & Consumer Protection Sub.
Attack II, 12/27/91*

December 7, 1989

Shell Oil Company



Your File Number: 08021-9340-26

Credit Card Center
P.O. Box 80
Tulsa, Oklahoma 74102

CP 18-496-4000

Steve Boda Jr
11413 West 71st St
Shawnee KS 66203



Thank you for giving us the opportunity to consider your request for a Shell credit card account.

The Credit Bureau* listed below was contacted as part of the process of considering your credit application. Because of information contained in your credit report, we are unable to open an account for you at this time.

Please contact the Credit Bureau directly if you wish to review your credit file or request that it be corrected.

On the other side of this letter is important information concerning the Federal Equal Credit Opportunity Act and certain state credit granting laws.

Thank you for your interest in Shell and its products.

Sincerely,

E. E. Cassady
Manager, Credit Services

* TRW CREDIT DATA
34405 12 MILE RD.
SUITE 375
FARMINGTONHILL MI 48018

313-553-7688

AUT:AP632

Please include your file number when writing to us

*Subcommittee - Senate Judiciary
2-27-91
Attachment 2*



Inquiry Information

TORZ F2DZ 2499901 BODA STEVE JU;11413 7 66203;S-303223650;Y-1924;
 W-11413 W 71ST ST SHAWNEE KS 66203;Z-MN;L-71

See comment below... Full identification information, including your Social Security Number is needed to check any disputed items.

SSN _____

IDENTIFICATION NUMBER

PAGE	DATE	TIME	PORT	H/V	TKS1	54-229783/55
7	12/22/89	09:02:17	CHMB	178		

LINE NO.	1	2	3
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Account Profile	Subscriber Name/Court Name				Subscriber # Court Code	Assn. Code	Amount	Balance	Account/Docket Number		Payment Profile number of months prior to balance date												
	Status Comment	Status Date	Date Opened	Type					Terms	Balance Date	Amount Past Due												
												Pos	Non	Neg	1	2	3	4	5	6	7	8	9
	CURR ACCT	11-89	4-84	CRC	REV	\$2400	\$0	11-30-89		NNNNNNNNNNNNNN	LASTPAY 04-19-88 NNNNN000-0000												
	** CREDIT LINE CLOSED - CONSUMER'S REQUEST - REPORTED BY SUBSCRIBER																						
A	UMB BANKCARD					2230268 2		5152201000793613															
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A	COMMERCE BK OF KC					2240285 2	LIMIT	5412163698279962															
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A	COMMERCE BK OF KC					2240285 2	LIMIT	4412698267625															
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A	TWA WORLDWIDE CREDIT					2455618 2		0540120183															
	CURR ACCT	5-81	10-Y	CRC	REV	\$1800																	
A	FORD CRED					2620725 2		14201041620070709															
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A	CRSI/JONES					0377564 0	LIMIT	90000654080470175															
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A	DINERS CLUB					0415468 1	HIBAL	882209021500															
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A	MISSOURI BANK & TRUS					0106831 1		90248															
	PAID Satis	7-85	3-84	I/L	UNK		\$4400																
A	UMB-USA					0201781 2		5152201000793613															
	CURR ACCT	9-89	10-Y	CRC	REV	\$900	\$61	9-26-89		00---00000000	00000000												
A	SHELL OIL CO					0435556																	
	INQUIRY	12-06-89		OST																			
	*** ** *																						

This disclosure is based on the identifying information supplied by you. If you did not supply us with your full name for the past 5 years, social security number and year of birth, this disclosure may not be complete.

2-7/13^s

Updated CREDIT PROFILESM



sure

Inquiry Information

TCRZ F2D2 Z499901 BODA STEVE JJ;11413 7 66203;S-303223680;Y-192A;
 R-11413 W 71ST ST SHAWNEE KS 66203;Z-MN:L-71

See comment below... Full identification information, including your Social Security Number is needed to check any disputed items.

SSN _____

IDENTIFICATION NUMBER

LINE NO.

PAGE	DATE	TIME	PORT	H/V	TKS1	5A-99793/55
7	12/22/89	09:02:17	CH08	178		

Account Profile	Subscriber Name/Court Name			Subscriber # Court Code	Assn. Code	Amount	Balance	Account/Docket Number		Payment Profile													
	Status Comment	Status Date	Date Opened					Type	Terms	Balance Date	Amount Past Due	number of months prior to balance date											
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A			FORD CRED			2620725	2			14201041620070709		C											
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			CURR ACCT	7-89	10-Y	CHC	REV	\$2000	\$0	9-30-89													
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												LASTPAY 11-03-89											
A			MISSOURI BANK & TRUS			0106831	1			90248													
			PAID Satis	7-85	3-84	1/L	UNK	\$4400															
A			UMB-USA			0201781	2			5152201000793613		CC---CCCCC											
			CURR ACCT	9-89	10-Y	CRC	REV	\$900	\$61	9-26-89		CCCCCCCC											
A			SHELL OIL CO			0435556																	
			INQUIRY	12-06-89		DST																	
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This disclosure is based on the identifying information supplied by you. If you did not supply us with your full name for the past 5 years, social security number and year of birth, this disclosure may not be complete.

2-7/13 ses

Updated CREDIT PROFILE SM

Discrepancy



Inquiry Information

See comment below . . . Full identification information, including your Social Security Number is needed to check any disputed items.

SSN _____

IDENTIFICATION NUMBER

LINE NO.

PAGE	DATE	TIME	PORT	N/V	
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Account Profile	Subscriber Name/Court Name				Subscriber # Court Code	Assn. Code	Amount	Balance	Account/Docket Number		Payment Profile number of months prior to balance date											
	Pos	Non	Neg	Status Comment					Status Date	Date Opened	Type	Terms	Balance Date	Amount Past Due	1	2	3	4	5	6	7	8

STEVE BODA JR
11413 W 71ST ST
SHAWNEE KS 66203

TRW CREDIT DATA/CONSUMER RELATIONS
12606 GREENVILLE AVE
PO BOX 749029
DALLAS, TX 75374-0000
214-235-1200

This disclosure is based on the identifying information supplied by you. If you did not supply us with your full name for the past 5 years, social security number and year of birth, this disclosure may not be complete.

2-6/13

Confidential!

See Reverse Side for Explanation & Instructions

TRW 4/09

214-235-1200

January 11, 1990

TRW Credit Data
12606 Greenville Ave.
PO Box 749029
Dallas, TX 75374-

RE Identification Number 56-232783/55

Refer to the item circled in red on the enclosed photocopy from the Credit Profile provided me after several rejections of credit to me.

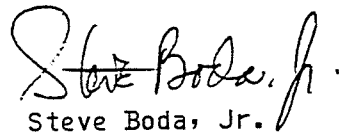
On two occasions I have called the agency in question (the one you indicate that I was delinquent for three months), First Bankcard Center (1-800-228-7070). This is Visa 4418 0251 1612 2586.

On both occasions, this agency denies ever having reported any delinquency on my part to TRW. In fact, the supervisor of their credit department states that my record has been impeccable.

A follow up call by my attorney brought the same high-praise response.

Therefore, your issuance of an unfavorable credit rating for me has caused us considerable embarrassment by the rejection of credit.

I am demanding an explanation of your actions.



Steve Boda, Jr.
11413 West 71st Street
Shawnee, KS 66203



Inquiry Information

TCR2 F2D2 3499953 BODA STEVE .JJ,11413 7 66203,S-303223680,Y-1924,M-11413
 W 71ST ST?SHAWNEE KS 66203,Z-MN,L-71

IDENTIFICATION NUMBER

LINE NO

PAGE	DATE	TIME	PORT	H/V		TKS1	56-232783/55
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Account Profile	Subscriber Name/Court Name			Subscriber # Court Code	Assn. Code	Amount	Account/Docket Number		Payment Profile													
	Status Comment	Status Date	Date Opened	Type	Terms	Balance	Balance Date	Amount Past Due	number of months prior to balance date													
Pos	Hon	Neg								1	2	3	4	5	6	7	8	9	10	11	12	
A			1ST BK CARD CTR	0270187 4				418025116122586														
			CURR ACCT 6-89 7-87 CRC	REV \$2000		\$0	6-17-89															
			-> ITEM CHANGED AS ABOVE																			
			-> END																			

This disclosure is based on the identifying information supplied by you. If you did not supply us with your full name for the past 5 years, social security number and year of birth, this disclosure may not be complete.

2-8/13



Disclosure

Inquiry Information

IDENTIFICATION NUMBER

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Account Profile	Subscriber Name/Court Name			Subscriber # Court Code	Assn. Code	Amount	Balance	Account/Docket Number		Payment Profile
	Status Comment	Status Date	Date Opened	Type	Terms	Balance Date		Amount Past Due	number of months prior to balance date	
Pos Non Neg										1 2 3 4 5 6 7 8 9 10 11 12
	STEVE BODA 11413 W 71ST ST SHAWNEE KS 66203									
	TRW CREDIT DATA/CONSUMER RELATIONS 12606 GREENVILLE AVE PO BOX 749029 DALLAS, TX 75374-0000 214-235-1200									

This disclosure is based on the identifying information supplied by you. If you did not supply us with your full name, for the past 5 years, social security number and year of birth, this disclosure may not be complete.

2-9/13

*First
BankCard
Center*

February 12, 1990



TRW
Consumer Relations
12606 Greenville Ave.
Dallas, TX 75243

Dear Sirs:

Per the request of our customer, listed below please find a credit rating on their BankCard account. Please add this rating to their credit file. **Corrected Rating.**

Name: Steve Boda Jr.

Address: 11413 W. 71st St.

City & State: Shawnee, KS 66203

Account Number: 4418-0251-1612-2586

Account Opened: 07/87

High Balance: \$790.00

Current Balance: \$.00

Rating: 12 Month Review - 0/30, 0/60, 0/90

Liability: Individual

Please advise by return mail your compliance with this request.

Thank you.

Sincerely,

Michelle Cronk

Michelle R. Cronk
Credit Department

cc: to customer

2-10/13

March 8, 1990

Mr. Bruce Stout
Kansas Attorney General's Office
301 West 10th Street
Topeka, KS 66612

Dear Mr. Stout:

As per our phone conversation yesterday and upon the advice of my friend and Shawnee senator, Gus Bogina, I am forwarding you documentation relative this consumer's complaint against TRW Credit Services.

Early in December, 1989, I applied for a Shell Oil Company gasoline card and was rejected because of adverse credit information. As is my right, I requested a copy of my Credit Profile. Shell's letter of rejection is item No. 2.

The Credit Profile, dated December 22, 1989, is number 1 attached. It is from TRW Credit Data/Consumer Relations, 12606 Greenville Avenue, PO Box 749029, Dallas, Texas 75374- phone number 214-235-1200. My identification number is 56-232783/55.

As indicated on report No. 1, they showed me to be delinquent three months on a First Bankcard credit card #4418-0251-1612-2586.

I protested to TRW without satisfaction. TRW stated that the information was supplied them by First Bankcard. I contacted First Bankcard Center, PO Box 3331, Omaha, Nebraska, 68103-0331, phone 402-341-7447 and spoke with Michelle Cronk of the Credit Department and she informed me that I was never delinquent, my credit rating was impeccable and proceeded to write TRW to that effect. See No. 3 enclosed, dated February 12, 1990.

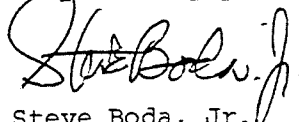
TRW then stated that it issued a Credit Profile on February 7, 1990 (No. 4 enclosed) that the account was CURRENT. I contacted Shell and other creditors as to that meaning and they all stated that it meant, in their opinion, that I had paid up the delinquency. However, since the delinquency appeared on the December 22 report, that they still could not issue me credit.

Numerous calls to TRW to further correct the Credit Profile to include the words to the effect: "Current report due to previous error," were also to no avail. TRW blames First Bankcard for the error, First Bankcard blames TRW and TRW states it is not their policy to issue such a note and refuses to do so.

As you can see, without it I still have an adverse credit rating based on erroneous information and the mere fact that a current profile might indicate "current" to all creditors it merely means that I have since paid up a three-month delinquency, which never existed in the first place and which affects my credit for the next seven years.

I am requesting that you issue a strong request to TRW to alter its practices in cases of an error and so indicate such on reports to creditors. I don't care if TRW admits to the error, or First Bankcard), but an error was made.

Respectfully yours,



Steve Boda, Jr.
11413 West 71st Street
Shawnee, KS 66203
913-631-1994

cc: Gus Bogina

2-14/13



TRW Information Systems
Group

Executive Offices
500 City Parkway West
4th Floor
Orange, CA 92668-2967
714.385.7000
213.258.0440

Law Department

714.385.5040

RECEIVED

KANSAS
ATTORNEY GENERAL

APR 26 8 25 AM '90

April 23, 1990

Mr. D. Bruce Stout
Special Agent
Consumer Protection Division
State of Kansas
Office of the Attorney General
2nd Floor, Kansas Judicial Center
Topeka, Kansas 66612-1597

Re: Steve Boda Jr.
Your File No. 90-1249

Dear Mr. Stout:

This is in response to your letter of March 29, 1990.

Mr. Boda complains that TRW incorrectly reported that his account with First Bankard was delinquent. He disputed the item with TRW, and contacted the Bank directly. The result was the item was changed to show as "current" with no indication of a prior delinquency.

However, Mr. Boda claims that since TRW has refused to add words to the effect that the previous report was an error, he still can not get credit.

I am not sure what it is that Mr. Boda would like TRW to do. If the account had been changed to show "delinquent 90, now current," then his argument might have some merit. But that is not the case. The item shows as being current with no prior delinquent history. That means that the account was never delinquent.

If Shell Oil will not issue Mr. Boda a credit card, that appears to be a problem between he and Shell, and not TRW as the

Mr. D. Bruce Stout
April 23, 1990
Page 2

item is presently showing precisely how the credit grantor has advised it should appear.

Very truly yours,

A handwritten signature in black ink, appearing to read "Harry I. Jacobs", written over a circular stamp or mark.

Harry I. Jacobs
Senior Counsel

HIJ:wp
cc: Diane Fleming



WALTER N. SCOTT, JR.
ATTORNEY AT LAW
420 WEST 33rd STREET
TOPEKA, KANSAS 66611
(913) 266-4220

February 26, 1991

Senator Jerry Moran
Chairman, Judiciary Subcommittee on
Criminal Law and Consumer Protection
State House - Room 143-N
Topeka, KS

IN RE: Senate Bill 181
Procedures Concerning Consumer Credit Reports

Dear Senator Moran:

I represent the Associated Credit Bureaus of Kansas and appreciate the opportunity to appear before your committee concerning the amendments to the Fair Credit Reporting Act.

Associated Credit Bureaus of Kansas are the suppliers of credit information concerning the consumers of this state. These Credit Bureaus work with and are affiliated with National consumer reporting systems. It is the aim and purpose of these organizations to furnish accurate and up-to-date information to the many financial institutions and businesses that rely on them for the extension of credit.

Mr. Bill Shaw, President of the Credit Bureau of Topeka, Inc., would like to explain the proposed amendments to SB 181.

My appreciation for your allowing us to appear before your committee to present our testimony. If there should be any questions at any time, do not hesitate to call.

Very sincerely,

Walter N. Scott, Jr.

WNS:cg

Subcommittee - Senate Judiciary

2-27-91

Attachment 3

Credit Bureau of Topeka, Inc.

Collection
Division 235-9203

915 Kansas Ave.
Topeka, Kansas 66612

Reporting
Division 357-4411

Senator Jerry Moran
Subcommittee Chairman
Criminal Law and Consumer Protection
522 South
Kansas Legislature
Topeka, Kansas

Re: Senate Bill 181

AN ACT amending the fair credit reporting act; concerning procedures in cases of inaccurate information contained in consumers files; amending K.S.A. 50-710 and repealing the existing section.

Mr. Chairman and Committee Members;

In response to Senate Bill 181, we would like to offer the following changes for your consideration.

Page 1, Line 17: inserting the words "reporting agency from whom the information was obtained, by the consumer" will direct the consumer to the correct consumer credit reporting agency.

Rational: This is very important to the consumer, since there are three (3) national reporting agencies in the State of Kansas. These reporting agencies are responsible for their own consumer credit data bases. These data bases are not identical in content and/or age of information they contain.

The Equal Credit Opportunity Act requires the Credit Grantor to advise the consumer of the Name, Address and Telephone number of the consumer reporting agency from whom the information was obtained, if that information was used in part or in whole to decline credit to the consumer.

Page 2, Line 42: insert the words "pursuant to subsection (b) or (c) of this section to the consumer and to any person specifically

Rational: To assure the consumer that the inaccurate information has been deleted from the consumers credit record.

Page 2, Strike lines 4 through 7 ending at the period before the words "The consumer.

Rational: Page 1, lines 21, 22 and 23 requires inaccurate information be promptly deleted.

Page 2. lines 4,5,6 and 7 requires "that on request by the consumer, the consumer reporting agency shall enter on subsequent reports a notation that the item has been deleted due to its inaccuracy". This appears to be in direct contradiction of other sections of this Bill, hence the reason for inserting the words "to the consumer and" on page 1 line 42.

Respectfully submitted by;



William Shaw
President
Credit Bureau of Topeka, Inc.

4-~~2/6~~

SENATE BILL No. 181

By Senator Bogina

2-12

8 AN ACT amending the fair credit reporting act; concerning proce-
9 dures in cases of inaccurate information contained in consumer's
10 files; amending K.S.A. 50-710 and repealing the existing section.
11

12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 50-710 is hereby amended to read as follows:

14 50-710. (a) If the completeness or accuracy of any item of information
15 contained in his or her a consumer's file is disputed by a the
16 consumer, and such dispute is directly conveyed to the consumer
17 reporting agency by the consumer, the consumer reporting agency

18 shall within a reasonable period of time reinvestigate and record the
19 current status of that information unless it has reasonable grounds
20 to believe that the dispute by the consumer is frivolous or irrelevant.
21 If after such reinvestigation such information is found to be inaccurate
22 or can no longer be verified, the consumer reporting agency shall
23 promptly delete such information. The presence of contradictory
24 information in the consumer's file does not in and of itself constitute
25 reasonable grounds for believing the dispute is frivolous or irrelevant.

26 (b) If the reinvestigation does not resolve the dispute, the con-
27 sumer may file a brief statement setting forth the nature of the
28 dispute. The consumer reporting agency may limit such statements
29 to not more than one hundred words if it provides the consumer
30 with assistance in writing a clear summary of the dispute.

31 (c) Whenever a statement of dispute is filed, unless there is
32 reasonable grounds to believe that it is frivolous or irrelevant, the
33 consumer reporting agency shall, in any subsequent consumer report
34 containing the information in question, clearly note that it is disputed
35 by the consumer and provide either the consumer's statement or a
36 clear and accurate codification or summary thereof.

37 (d) Following any deletion of information which is found to be
38 inaccurate or whose accuracy can no longer be verified or any no-
39 tation as to disputed information, the consumer reporting agency
40 shall, at the request of the consumer, shall furnish notification that
41 the item has been deleted or the statement, codification or summary
42 pursuant to subsection (b) or (c) of this section to any person spe-
43 cifically designated by the consumer who has within two years prior

, from whom the information
was obtained

to the consumer and

4-3/6

4-7

- 1 thereto received a consumer report for employment purposes, or
- 2 within six months prior thereto received a consumer report for any
- 3 other purpose, which contained the deleted or disputed information.
- 4 ~~In addition, if an item of information is deleted because it is found~~
- 5 ~~to be inaccurate, the consumer credit agency, on request of the~~
- 6 ~~consumer, shall enter on subsequent consumer reports a notation~~
- 7 ~~that the item has been deleted due to its inaccuracy.~~ The consumer
- 8 reporting agency shall clearly and conspicuously disclose to the con-
- 9 sumer his or her rights to make such a request ~~the consumer's~~
- 10 ~~right to make the requests provided for by this subsection.~~ Such
- 11 disclosure shall be made at or prior to the time the information is
- 12 deleted or the consumer's statement regarding the disputed infor-
- 13 mation is received.
- 14 Sec. 2. K.S.A. 50-710 is hereby repealed.
- 15 Sec. 3. This act shall take effect and be in force from and after
- 16 its publication in the statute book.

reporting (instead of credit)

Credit Bureau of Topeka, Inc.

Collection
Division 235-9203

915 Kansas Ave.
Topeka, Kansas 66612

Reporting
Division 357-4411

CONSUMER RIGHTS TO PRIVACY

Members of Associated Credit Bureaus, Inc. endorse a consumers rights to privacy in keeping with a consumer's desire to participate in the marketplace. These rights include:

1. The right to know what is in the credit reporting file.
2. The right to challenge information in the file.
3. The right to request reverification of information in the file and to have it removed if inaccurate or unverifiable.
4. The right to know who has received information in the past six months or the last two years if for employment purposes.
5. The right to have an updated report sent to those credit granters who received a report in the last six months.
6. The right to place a statement in the credit reporting file if the accuracy of the information is disputed.
7. The right to have adverse information purged after seven years (including successfully completed Chapter 13) or 10 years if an unsuccessfully completed Chapter 13 or Chapter 7 bankruptcy.
8. The right to have his/her name and address removed from any direct marketing solicitation which uses data from a credit reporting repository. Name removal can be accomplished by contacting any of the following:

Direct Marketing Association
1101 17th St. N.W., Suite 900
Washington, D.C. 10036-4704

Consumer Relations
TRW Target Marketing Division
901 N. International Parkway
Richardson, Tx. 75081

Consumer Relations
Equifax Credit Information
P O Box 4091
Alanta, Ga. 30302-4091

Consumer Relations
Trans Union Corporation
111 W. Jackson Blvd.
Chicago, Il. 60604

CONSUMER RELATIONS INFORMATION

There are THREE national credit reporting systems. They are TRW CREDIT DATA, TRANSUNION INFORMATION CO. AND CSC CREDIT SERVICES (also known as EUQIFAX INC. in some areas). CREDIT BUREAU OF TOPEKA is affiliated with TRW Credit Data.

If you have been declined for credit:

The credit grantor will send you a letter advising you of the name, address and telephone number of the Credit Reporting Agency that gave the credit report which may have been a factor in the denial of credit requested.

If you have been declined within the last 30 days for credit, employment or insurance based on information contained in a credit report, provided by one of these reporting agencies, that agency will furnish you a copy of your credit report free of charge.

CONSUMER RELATIONS DEPARTMENTS require the following information in order to service your needs:

1. Your Full legal name, including any suffix (Jr. Sr. III, ect)
2. Complete address(es) for the last five years.
3. Name of your current employer.
4. Your Social Security Number.
5. Year of birth.
6. Telephone number where you can be reached during the day.
7. A copy of the letter declining your credit should accompany your request for your credit file.

(Spouses must furnish the above required information if a "JOINT" file is requested.)

If you have not been declined for credit within the last 30 days:

You may obtain a copy of your credit report, for a nominal charge, by providing the information listed in item 1 through 6 above. (Contact the appropriate agency for charges.)

CONSUMER RELATIONS OFFICES

TRW - TOPEKA

Credit Bureau of Topeka Inc.
Consumer Relations
915 S. Kansas Ave.
Topeka, Kansas 66612
Telephone (913) 357-4411

TRANSUNION

TransUnion Information Co
Consumer Relations
P O Box 2926
Wichita, Kansas 67201
Telephone (316) 263-0166

TRW - NATIONAL

TRW Credit Data
P O Box 749029
Dallas, Texas 73574-9029
Telephone (214) 235-5005

CSC CREDIT SERVICES

CSC Credit Services.
P O Box 674404
Houston, Texas 77267
Telephone (214) 274-9700

Provided by:
CREDIT BUREAU OF TOPEKA

4-6/6



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612-1597

ROBERT T. STEPHAN
ATTORNEY GENERAL

MAIN PHONE: (913) 296-2215
CONSUMER PROTECTION: 296-3751
TELECOPIER: 296-6296

Testimony of
Deputy Attorney General Arthur Weiss
On Behalf of Attorney General Robert T. Stephan
Before the Senate Judiciary Sub-Committee
on Criminal Law and Consumer Protection
RE: Senate Bill 246
February 26, 1991

Attorney General Stephan and his Consumer Protection Advisory Council have requested introduction and passage of Senate Bill 246, which increases the deterrent effect of civil penalties against those who would commit violations of the Kansas Consumer Protection Act. The Kansas Consumer Protection Act has a maximum civil penalty of \$2,000 per violation. As scam artists find more and increasingly sophisticated means of ripping off Kansas consumers, the possible civil penalties have not kept pace with the possible harm against our citizens.

In recent years, the Attorney General's Consumer Protection Division has seen a steady increase in the amount of consumer complaints. With the advent of 900 numbers and telemarketing boiler room scams, individual consumers are now faced with possible losses in the hundreds or thousands of dollars per incident.

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We have also seen the targeting of senior citizens by scam artists who prey upon those who are at home through door-to-door solicitations and high-pressure telephone sales techniques. Senior citizens and the disabled living on a fixed income are the least able among our citizens to incur such a financial loss.

For these reasons, the Attorney General requests that the maximum civil penalty which could be assessed by a court upon a finding of a violation of the Kansas Consumer Protection Act be increased to \$5,000 per violation, and an increased penalty of up to \$10,000 for violations committed against senior citizens and the disabled. The increased penalty would be set aside in a fund to be administered by the Kansas Department on Aging to benefit seniors and disabled persons through increased consumer education.

Thank you for this opportunity to appear on this bill.

Testimony on SB 246
By Kansas Department on Aging
Before the Senate Judiciary Subcommittee on Criminal Law and
Consumer Protection
February 26, 1991

Thank you for this opportunity to comment on Senate Bill 246. The Kansas Department on Aging, which is charged with advocacy for the interests of older Kansans, wholeheartedly endorses this proposal for creating a consumer protection fund to educate senior citizens and persons with a disability.

As you may know, nearly two in every ten Kansans are aged 60 or over. Older consumers are large consumers of goods and services such as health care, drugs and funeral plans.

At the same time, older Kansans are vulnerable to consumer fraud. Studies performed by the American Association of Retired Persons show that older people are the least likely to recognize when they have been cheated in a business transaction. What's more, they are the least likely to complain when they believe that they have been victimized.

Because of these factors, the elderly often become the target of unscrupulous business practices. In the past, older adults have been especially susceptible to fraudulent sales practices involving health care, insurance, home repair and improvement, telemarketing, vacation timesharing and other areas.

Senate Bill 246 would create a special consumer education fund for older adults and persons with a disability to be financed through civil penalties assessed against those who engage in fraudulent sales schemes aimed at this population group. The funds would then be used by the Department on Aging to prepare and distribute educational materials, conduct educational seminars and other consumer oriented programs. It is fitting that those who prey on the old and infirm should be required to support consumer education of those they have victimized.

The Department on Aging has long been involved in assisting older Kansans in the consumer arena. For example, we publish a popular 60-page Senior Legal Guide and have prepared literature advising families how to select a nursing home. Our field nutritionists operate programs that teach shopping skills. These efforts notwithstanding, I believe the funds generated by this bill will help us to expand our commitment to older and disabled consumers.

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STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

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Testimony of
Assistant Attorney General Shelly Gasper
On Behalf of Attorney General Robert T. Stephan
Before the Senate Judiciary Sub-Committee on
Criminal Law and Consumer Protection
RE: Senate Bill 247
February 26, 1991

Mr. Chairman and Members of the Committee:

On behalf of Attorney General Stephan and with the recommendation of his Consumer Protection Advisory Council, this bill was drafted to address a problem which has been occurring with greater and greater frequency.

This bill adds a new section to the list of per se unconscionable acts and practices. Typically, a company with an existing client base will add a new type of service, often giving that service cost-free for a period of one or two months, at which time the customer must then request that the service be discontinued or be charged for it.

Some examples of negative selection we have received complaints about include an electronic mail service (via computer) that charged an additional \$13 per year for an online directory service. In the bill, one page of the bill told the consumer to delete \$13 from his or her total and fill out the form if the consumer did not want the service. Many

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people did not even know they were being charged for the service. As another example, a city trash service began offering a recycling program at an extra charge unless the consumer affirmatively opted out of the program. Also, a cable company began offering tiered services. The consumers who had subscribed to the basic service would be upgraded to a higher cost basic plus service unless they affirmatively sent in a card saying they didn't want the higher cost service.

This section would not apply to services that the customer has requested, such as a book or record club that commonly uses a monthly negative selection process to sell its book- or record- of-the-month.

On behalf of Attorney General Stephan, I ask for your support of Senate Bill 247. Thank you.