

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 974  
Committee Substitute Favorable 5/7/91

Short Title: No Credit Card Number on Checks.

(Public)

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Sponsors:

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Referred to:

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April 19, 1991

A BILL TO BE ENTITLED

1 AN ACT TO PROTECT PURCHASERS AND DISCOURAGE FRAUD BY  
2 PROHIBITING A PERSON FROM REQUESTING OR RECORDING, AS A  
3 CONDITION OF ACCEPTING A CHECK, A CREDIT CARD NUMBER OR  
4 ANY OTHER PERSONAL IDENTIFICATION INFORMATION ON A CHECK  
5 OR OTHER DRAFT.  
6

7 The General Assembly of North Carolina enacts:

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

10 **"§ 75-36. Conditions for cashing a check.**

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

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

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

17 of the drawer of the check or other draft.

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

19 (1) Requesting the drawer to display a credit card or drivers license for the  
20 sole purpose of identification or creditworthiness;

21 (2) Requesting or recording the type or issuer or expiration date of a credit  
22 card of the drawer; or

23 (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.