

- ✓ **Phone books outlawed?**
- ✓ **Internet commerce halted?**
- ✓ **Fines and lawsuits for small businesses?**
- ✓ **More paperwork and notices mailed to consumers?**

That s the real impact of HB 634.

HB 634 may be well-intended, but it ignores existing state land federal laws that strike the right balance between protecting consumers and allowing modern, convenient commerce that consumers today expect.

Under HB 634, anyone doing business in Montana must obtain written permission to obtain "personal information" from anyone – including publicly-available information like name, address and telephone number.

The result? Even the telephone directory in your kitchen is a security breach under this bill! It is the broadest definition of personal information in existence anywhere in the nation, and would bring commerce by phone or internet – even if initiated by the consumer – to a halt in Montana.

For consumers, HB 634 means less access to convenient purchases online, by phone or in the storefronts of main street businesses in our state. Common practices – from buying clothes or shoes online to leaving your name and address on a list in a store to be notified of sales and new products – would require written consent, disclosure forms and continuing correspondence.

Already, under the Fair Credit Reporting Act (FCRA), the federal Gramm-Leach-Bliley Acts and Montana statutes, insurers, financial institutions, credit agencies, retailers and others are required to provide annual privacy notices to consumers, and face fines, penalties and lawsuits for the negligent breach of consumer data.

HB 634 would dramatically increase the paperwork burden on our small businesses. For example, it would allow consumers to revoke at any time the permission they granted to a business to have their personal information – thus requiring the business to erase all data they have on file – and keep proof of the "erasure" on file for three years.

And businesses attempting to comply with the onerous provisions of HB 634 face exposure to fines – up to \$5,000 per violation and even up to a year in prison – plus exposure to lawsuits that could include plaintiff attorney fees and damage awards for "emotional distress."

The Montana Legislature enacted a law substantially similar to HB 634 in 1999. It proved so disastrous to Montana's small businesses and consumers that it was retroactively repealed in 2001. HB 634 is bad for Montana. Please vote no.



Common transactions that would be prohibited under HB 634:

- Providing a insurance quote online prior to obtaining permission and providing disclosure to consumer in writing.
- Any online sale of a product or service that includes collecting the purchaser s name, address and payment information without prior written disclosure and consent.
- Declining to conduct a transaction with a consumer who refuses to allow a check of his/her credit.

Montanans can t afford HB 634. Please vote NO.

Broa Spencer PCI - Allstate