

SUBJECT: Prohibit release of college student information for credit card solicitations

COMMITTEE: Business and Industry — committee substitute recommended

VOTE: 7 ayes — Deshotel, Elkins, Christian, England, Giddings, Quintanilla, S. Turner

0 nays

4 absent — Gattis, Keffer, S. Miller, Orr

WITNESSES: For — None

Against — None

On — Eric Glenn, HSBC, N.A.

BACKGROUND: In 2007, the 80th Legislature enacted HB 85 by Branch et al., which established requirements for credit card issuers that conduct campus marketing activities at colleges and universities.

DIGEST: CSHB 2014 would prohibit a college or university from releasing students' names, telephone numbers, e-mail, permanent or campus residence, and mailing addresses to a credit card issuer. State colleges and universities subject to the Open Records Act (Government Code, ch. 552) would not be required to seek an Attorney General's Open Record decision to withhold a student's contact information if a credit card company made a written request for the information.

CSHB 2014 would prohibit a credit card company from offering a gift or incentive as part of a campus credit card marketing activity.

The bill also would amend portions of the Business and Commerce Code added by HB 85 to provide that the restrictions on credit card solicitations would not apply to events held on campus that were not primarily for students or not exclusively student-related activities that were either open to the general public or conducted by persons not required to be students. Examples would be athletic events, concerts, other special events, or alumni meetings. However, the bill would allow the postsecondary

educational institution's governing board to establish restrictions on campus credit card marketing activities.

The bill, which would take effect on September 1, 2009, has duplicate sections that would differ only in the Business and Commerce Code sections that would be amended. Sections that refer to existing code would apply only if the Legislature does not adopt HB 3545 by Leibowitz, which would make non-substantive additions and corrections; the other sections would take effect only if HB 3545 is adopted.

NOTES:

The substitute added the provisions that would exempt campus events not exclusively held for students or open to the general public from the restrictions on credit card marketing activities and would allow the college or university's governing board to adopt its own restrictions.