

# California's Song-Beverly Credit Card Act: The Past, Present, and Future

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Last week the BNA Privacy & Security Law Report [published an article](#) discussing in detail California's Song-Beverly Credit Card Act (the "Act"). The aim of the article is to provide those persons and businesses that regularly engage in credit card transactions in California, most notably retail merchants, with a meaningful primer on some critical current and developing aspects of the Act. The article provides an overview of the Act's provisions, and discusses the important legal issues surrounding the Act, including several that California courts have resolved, several that are currently pending before those courts, and one that may be resolved in the near future.

On a related note, the California Court of Appeals, Fourth Appellate Division, recently issued a decision in *Carson v. Michaels Stores, Inc.*, which addressed several issues under the Act. *See id.* at No. 37-2008-00089773-CU-BT-CTL, 2010 WL 2862077 (Cal. App. Ct. July 22, 2010). Carson filed a complaint against Michaels Stores, Inc., alleging violations of the Act and her constitutional right to privacy by requesting and recording her zip code, and then using her zip code to obtain her address from a public database. First, the court, following *Pineda v. Williams-Sonoma Stores, Inc.*, 100 Cal.Rptr.3d 458 (Cal. App. Ct. 2009), affirmed the trial court's holding that zip codes are not personal identification information under the Act. Because zip codes are not personal identification information under the Act, Michael's use of this information to obtain plaintiff's address was also held not to be prohibited under the Act. *Id.* at 7. (See our [prior posts](#) discussing Pineda and issues under the Act.)

In addition, the court held that plaintiff had no reasonable expectation of privacy in her address – as it was obtained from public databases available on the Internet – and therefore plaintiff did not have a valid invasion of privacy claim under the California constitution. *Id.* at 9-10.

Notably, the court declined to decide a significant open issue under the Act – whether the Act prohibits a retailer from requesting personal information **as a condition of** accepting the customer's credit card payment. *Id.* at n.4. This open issue is discussed in detail in the above-referenced article.