

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

S

2

SENATE BILL 990  
Judiciary I Committee Substitute Adopted 4/18/01

Short Title: No Disclosure of Student Info to 3rd Parties.

(Public)

Sponsors:

Referred to:

April 5, 2001

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT PERSONS CONTRACTING WITH THE PUBLIC  
SCHOOLS FROM DISCLOSING INFORMATION ABOUT STUDENTS FOR A  
BUSINESS PURPOSE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 115C of the General Statutes is amended by adding a  
new section to read:

**"§ 115C-401.1. Prohibition on the disclosure of information about students.**

(a) A person who enters into a contract with a local board of education for the provision of goods or services shall not sell or otherwise use for a business purpose other than the performance of its obligations under the contract any information about students that it gains incidental to its performance under the contract unless the students' parents or guardians authorize such use of information.

(b) A violation of this section shall be punished as a Class 2 misdemeanor and when the defendant is an organization as defined in G.S. 15A-773(c) the fine shall be five thousand dollars (\$5,000) for the first violation, ten thousand dollars (\$10,000) for a second violation, and twenty-five thousand dollars (\$25,000) for a third or subsequent violation.

(c) Nothing in this section shall preclude the enforcement of civil remedies as otherwise provided by law."

**SECTION 2.** This act is effective when it becomes law and applies to contracts entered into, renewed, or modified after that date.