

Bill No. CS for CS for SB 656

Barcode 812484

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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Floor: WD/2R
04/05/2006 10:04 AM

11 Senator Peaden moved the following amendment:

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13 **Senate Amendment (with title amendment)**

14 On page 3, line 2, through

15 page 7, line 2, delete those lines

16

17 and insert:

18 (3) A consumer reporting agency shall place a security

19 freeze on a consumer report no later than 5 business days

20 after receiving a request from the consumer.

21 (4) The consumer reporting agency shall send a written

22 confirmation of the security freeze to the consumer within 10

23 business days after instituting the security freeze and shall

24 provide the consumer with a unique personal identification

25 number or password to be used by the consumer when providing

26 authorization for the removal of a security freeze on his or

27 her consumer report pursuant to subsection (5) or subsection

28 (11).

29 (5) A consumer may allow his or her consumer report to

30 be accessed for a designated period of time while a security

31 freeze is in effect by contacting the consumer reporting

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1 agency and requesting that the freeze be temporarily lifted.

2 The consumer must provide the following information to the

3 consumer reporting agency as part of the request:

4 (a) Proper identification as determined by the
5 consumer reporting agency.

6 (b) The unique personal identification number or
7 password provided by the consumer reporting agency pursuant to
8 subsection (4).

9 (c) Information specifying the period of time for
10 which the report shall be made available.

11 (d) Payment of a fee authorized by this section.

12 (6) A consumer reporting agency that receives a
13 request from a consumer to temporarily lift a freeze on a
14 consumer report pursuant to subsection (5) shall comply with
15 the request no later than 3 business days after receiving the
16 request.

17 (7) A consumer reporting agency doing business in this
18 state shall develop telephonic communication or any form of
19 secure electronic media to receive and process a request from
20 a consumer pursuant to subsection (5).

21 (8) A consumer reporting agency shall temporarily lift
22 or remove a security freeze placed on a consumer report only
23 in the following instances:

24 (a) Upon consumer request, pursuant to subsection (5)
25 or subsection (11).

26 (b) If the consumer report was frozen due to a
27 material misrepresentation of fact by the consumer. If a
28 consumer reporting agency intends to remove a security freeze
29 on a consumer report pursuant to this paragraph, the consumer
30 reporting agency shall notify the consumer in writing before
31 removing the security freeze.

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1 (9) A third party requesting access to a consumer
 2 report on which a security freeze is in effect in connection
 3 with an application for credit or other permissible use may
 4 treat the application as incomplete if the consumer has not
 5 authorized a temporary lifting of the security freeze for the
 6 period of time during which the request is made.

7 (10) If a consumer requests a security freeze, the
 8 consumer reporting agency shall disclose to the consumer all
 9 information relevant to the process of instituting,
 10 temporarily lifting, and removing a security freeze and shall
 11 include the disclosure required by subsection (17).

12 (11) A security freeze shall remain in place until the
 13 consumer requests that it be removed. A consumer reporting
 14 agency shall remove a security freeze within 3 business days
 15 after receiving a request for removal from the consumer, who,
 16 upon making the request for removal, must provide the
 17 following:

18 (a) Proper identification as determined by the
 19 consumer reporting agency.

20 (b) The unique personal identification number or
 21 password provided by the consumer reporting agency pursuant to
 22 subsection (4).

23 (c) Payment of a fee authorized by this section.

24 (12) This section does not apply to the use of a
 25 consumer report by the following persons or for the following
 26 reasons:

27 (a) A person to whom the consumer owes a financial
 28 obligation or a subsidiary, affiliate, or agent of the person,
 29 or an assignee of a financial obligation owed by the consumer
 30 to the person, or a prospective assignee of a financial
 31 obligation owed by the consumer to the person in conjunction

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1 with the proposed purchase of the financial obligation, with
 2 which the consumer has or had prior to assignment an account
 3 or contract, including a deposit account, or to whom the
 4 consumer issued a negotiable instrument, for the purposes of
 5 reviewing the account or collecting the financial obligation
 6 owed for the account, contract, or negotiable instrument. For
 7 purposes of this paragraph, "reviewing the account" includes
 8 activities related to account maintenance, monitoring, credit
 9 line increases, and account upgrades and enhancements.

10 (b) A subsidiary, affiliate, agent, assignee, or
 11 prospective assignee of a person to whom access has been
 12 granted under this section for purposes of facilitating the
 13 extension of credit or other permissible use.

14 (c) A state agency acting within its lawful
 15 investigative or regulatory authority.

16 (d) A state or local law enforcement agency acting to
 17 investigate a crime or conducting a criminal background check.

18 (e) Any person administering a credit file monitoring
 19 subscription service to which the consumer has subscribed.

20 (f) Any person for the purpose of providing a consumer
 21 with a copy of the consumer report upon the consumer's
 22 request.

23 (g) Pursuant to a court order lawfully entered.

24 (h) The use of credit information for the purposes of
 25 prescreening as provided for by the federal Fair Credit
 26 Reporting Act.

27 (i) Any person in connection with the underwriting of
 28 insurance.

29 (13) A consumer reporting agency may not charge a
 30 consumer any fee to place a security freeze on his or her
 31 consumer report. A consumer reporting agency may charge a

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1 reasonable fee, not to exceed \$10, to a consumer who elects to
 2 remove or temporarily lift a security freeze on his or her
 3 consumer report. A consumer may be charged a reasonable fee,
 4 not to exceed \$10, if the consumer fails to retain the
 5 original personal identification number or password provided
 6 by the consumer reporting agency, and the agency must reissue
 7 the personal identification number or password or provide a
 8 new personal identification number or password to the
 9 consumer.

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12 ===== T I T L E A M E N D M E N T =====

13 And the title is amended as follows:

14 On page 1, lines 17-22, delete those lines

15

16 and insert:

17 prohibiting a consumer reporting agency from
 18 charging a consumer any fee to place a security
 19 freeze on a consumer report; authorizing a
 20 consumer reporting agency to charge a fee to
 21 remove or temporarily lift a security freeze
 22 and to

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