AN ACT

Amending the act of November 29, 2006 (P.L.1463, No.163), entitled "An act providing for protection from identity theft, for security freezes, for procedures for access after imposition and removal of security freezes and for related matters," providing for findings and intent; and further providing for definitions, for security freeze, for consumer reporting agency, for temporary access or removal of security freeze and for fees.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of November 29, 2006 (P.L.1463, No.163), known as the Credit Reporting Agency Act, is amended by adding a section to read:

Section 1.1. Findings and intent.

(a) Findings.--The General Assembly finds and declares as follows:

(1) According to the United States Department of Justice:

(i) In 2010, 8.6 million households in the United States had at least one member 12 years of age or older
who had been victimized by identity theft.

(ii) In 2010, households in the United States
experienced approximately $13.3 billion in direct
financial loss as a result of identity theft.

(iii) The number of households experiencing the
misuse of credit cards rose from 3.6 million households
in 2005 to 5.5 million households in 2010.

(2) According to the Federal Trade Commission:

(i) Identity thieves often steal a child's
information from schools, businesses and government
agencies.

(ii) A minimum of 142,000 cases of identity theft
against children can be identified each year.

(iii) Of 40,000 children enrolled in an identity
protection service, over 10% had loans, property, utility
and other accounts associated with their Social Security
numbers.

(iv) Controlling and limiting access to a child's
information is one of the best ways to protect children
from identity theft.

(b) Intent.--It is the intention of the General Assembly to
protect the financial security and general welfare of the
citizens of this Commonwealth by providing a mechanism to allow
citizens to combat identity theft which might be committed
against them or their children. The General Assembly further
intends to permit citizens to limit and control access to their
own personal information and that of their children by
permitting consumer reporting agencies to place security freezes
on the credit reports of adults and children.

Section 2. Sections 2, 3(a), (b), (c) and (d), 4, 7(a) and 9
of the act are amended to read:

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Child." An individual who is under 18 years of age.

"Consumer." An individual[.], including a child. The term also includes a parent or guardian who makes a request for a security freeze on a consumer report of a child.

"Consumer report." A written, oral or other communication of any information by a consumer reporting agency bearing on a consumer's creditworthiness, credit standing or credit capacity.

"Consumer reporting agency." Any person who, for monetary fees, dues or on a cooperative basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties.

"Parent." Includes an adoptive parent.

"Proper identification." Any of the following:

(1) An order issued by a court of this Commonwealth.

(2) A lawfully executed and valid power of attorney.

(3) A copy of a Social Security card issued by the Social Security Administration.

(4) A certified or official copy of a birth certificate issued by an entity authorized to issue the birth certificate.

(5) A copy of a driver's license or another government-issued identification.

(6) Any other document deemed acceptable by a consumer reporting agency.
"Security freeze." A notice placed on a consumer report, at the request of the consumer and subject to certain exceptions, that prohibits a consumer reporting agency from releasing the consumer report without the express authorization of the consumer.


(a) Request for freeze.--

[(1) A consumer may elect to place a security freeze on his consumer report by providing proper identification to a consumer reporting agency. The consumer may make the request directly to a consumer reporting agency:

(i) by certified mail using an address designated by the consumer reporting agency; or

(ii) through a secure Internet connection if the connection is made available by the consumer reporting agency.]

(1) The following apply:

(i) A consumer may elect to place a security freeze on:

(A) the consumer report of the consumer; or

(B) the consumer report of the consumer's child.

(ii) In order to place a freeze on a consumer report, the consumer must provide proper identification to a consumer reporting agency. The consumer may make the request directly to a consumer reporting agency:

(A) by certified mail using an address designated by the consumer reporting agency; or

(B) through a secure Internet connection if the connection is made available by the consumer reporting agency.
(2) Each consumer reporting agency covered by this act shall have a toll-free telephone number available to allow a consumer to receive information about how to request a security freeze, which the consumer must return by certified mail.

(3) A consumer reporting agency shall place a security freeze on a consumer report no later than five business days after receiving a request for the security freeze from the consumer.

(4) The following entities are not required to place a security freeze in a consumer report:

   (i) A credit reporting agency that acts only as a reseller of credit information by assembling and merging information contained in the database of another credit reporting agency or multiple credit reporting agencies and does not maintain a permanent database of credit information from which new credit reports are produced; however, a credit reporting agency acting as a reseller shall honor any security freeze placed on a credit report by another credit reporting agency.

   (ii) A check services or fraud prevention services company which issues reports on incidents of fraud or authorizations for the purpose of approving or processing negotiable instruments, electronic funds transfers or similar methods of payments.

   (iii) A deposit account information service company which issues reports regarding account closures due to fraud, substantial overdrafts, automated teller machine (ATM) abuse or similar negative information regarding a consumer to inquiring banks or other financial institutions.
institutions for use only in reviewing a consumer request for a deposit account at the inquiring bank or financial institution.

(b) Effect of security freeze.--Except as provided in subsection (e), when a security freeze is in place, information from a consumer report shall not be released to a third party without prior express authorization from the consumer or the consumer's parent or guardian in the case of a consumer who is a child. This subsection shall not prevent a consumer reporting agency from advising a third party that a security freeze is in effect with respect to a consumer report.

(c) Third-party request.--If a third party requests access to a consumer report on which a security freeze is in effect and the consumer does not allow his [or her] consumer report or the consumer report of a child to be accessed for that specific party or for a period of time, the third party shall treat the application as incomplete.

(d) Duration of freeze.--[A security freeze shall remain in place until the earlier of the date the consumer reporting agency receives a request from the consumer to remove the security freeze or until seven years from the date that the security freeze was put in place by the consumer reporting agency.] The following apply:

(1) A security freeze shall remain in place until the earlier of the date the consumer reporting agency receives a request from the consumer to remove the security freeze or until seven years from the date that the security freeze was put in place by the consumer reporting agency.

(2) There shall be no limit on the number of security freezes which a consumer may request on the consumer's behalf.
or on behalf of the consumer's child.

(3) A security freeze placed on the consumer report of a child shall expire on the child's 18th birthday. The child may request a security freeze on the child's own behalf when the child is at least 18 years of age.

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Section 4. Consumer reporting agency.

The consumer reporting agency shall, no later than ten business days after the date the agency receives a request from a consumer [for] to place a security freeze on the consumer report of the consumer or the consumer report of a child, send the consumer a written confirmation that provides the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the access to his consumer report or the consumer report of a child for a specific period of time or for a specific third party or removing the security freeze. In addition, the consumer reporting agency shall simultaneously provide to the consumer in writing notification of the process of removing a security freeze and the process of temporarily lifting a security freeze and the process for allowing access to information from the consumer report for a specific party or for a specific period while the security freeze is in effect.

Section 7. Temporary access or removal of security freeze.

(a) Request.--If the consumer wishes to allow his consumer report or the consumer report of a child to be accessed for a specific period of time or by a specific third party while a security freeze is in place or to remove a security freeze, he shall be able to contact the consumer reporting agency by certified mail or by a toll-free telephone number which shall be 20130HB0713PN0824
provided by the consumer reporting agency and may be able to contact the consumer reporting agency through a secure Internet connection which may be established by the consumer reporting agency and request that the security freeze be temporarily lifted or removed and provide all of the following:

(1) Proper identification.

(2) The unique personal identification number or password provided by the consumer reporting agency pursuant to this act.

(3) One of the following:

   (i) The proper information regarding the time period for which the consumer report shall be available to any person.

   (ii) The proper information regarding the third party who is to receive the consumer report.

   (iii) A request that the security freeze be removed.

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Section 9. Fees.

(a) General rule.--[A consumer reporting agency may impose a reasonable charge on a consumer for initially placing a security freeze on a consumer report. The amount of the charge may not exceed $10. The charge to temporarily lift the security freeze may not exceed $10 per request. At no time shall the consumer be charged for removing the freeze.] Subject to subsection (b), the following apply:

(1) A consumer reporting agency may impose a reasonable charge to initially place a security freeze on a consumer report or to temporarily lift the security freeze on a consumer report.

(2) In the case of a security freeze placed on a
consumer report of a consumer who is at least 18 years of age, the amount of the charge to initially place or temporarily lift the freeze may not exceed $10.

(3) In the case of a security freeze placed on a consumer report of a child, the amount of the charge to initially place or temporarily lift the freeze may not exceed $5.

(4) A consumer reporting agency may charge a fee for each request to temporarily lift the freeze.

(5) At no time shall the consumer be charged for removing the security freeze.

(b) Exceptions.--

(1) A consumer may not be charged by a consumer reporting agency for placing a security freeze or temporarily lifting a security freeze if the consumer or the consumer's child is a victim of identity theft and provides, or has provided, the consumer reporting agency with a copy of a police report.

(2) A consumer may not be charged by a consumer reporting agency for placing a security freeze if the consumer is 65 years of age or older.

(c) Confirmation required.--If a security freeze is in place, a consumer reporting agency shall not change any of the following information regarding a consumer without sending a written confirmation of the change to the consumer or the consumer's parent or guardian, in the case of a consumer who is a child, within 30 days of the change being posted:

(1) Name.

(2) Date of birth.

(3) Social Security number.
(4) Address.

Written confirmation is not required for technical modifications of a consumer's official information, including name and street abbreviations, complete spellings or transposition of numbers or letters. In the case of an address change, the written confirmation shall be sent to both the new address and to the former address.

Section 3. This act shall take effect in 60 days.