
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 713 Session of
2013

INTRODUCED BY BAKER, V. BROWN, O'NEILL, R. BROWN, KAUFFMAN,
ROCK, SWANGER, MILLARD, AUMENT, COHEN, MAJOR, BOBACK, MILLER,
EVERETT, KORTZ, GINGRICH, GABLER, HESS, FLECK, MOUL, WATSON,
MURT, FABRIZIO, DENLINGER AND MARSICO, FEBRUARY 14, 2013

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 14, 2013

AN ACT

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

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

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

14 Section 1.1. Findings and intent.

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

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

19 (i) In 2010, 8.6 million households in the United
20 States had at least one member 12 years of age or older

1 who had been victimized by identity theft.

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

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

8 (2) According to the Federal Trade Commission:

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

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

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

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

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

30 Section 2. Sections 2, 3(a), (b), (c) and (d), 4, 7(a) and 9

1 of the act are amended to read:

2 Section 2. Definitions.

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

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

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

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

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

18 "Parent." Includes an adoptive parent.

19 "Proper identification." Any of the following:

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

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

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

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

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

29 (6) Any other document deemed acceptable by a consumer
30 reporting agency.

1 "Security freeze." A notice placed on a consumer report, at
2 the request of the consumer and subject to certain exceptions,
3 that prohibits a consumer reporting agency from releasing the
4 consumer report without the express authorization of the
5 consumer.

6 Section 3. Security freeze.

7 (a) Request for freeze.--

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

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

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

17 (1) The following apply:

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

20 (A) the consumer report of the consumer; or

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

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

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

28 (B) through a secure Internet connection if the
29 connection is made available by the consumer
30 reporting agency.

1 (2) Each consumer reporting agency covered by this act
2 shall have a toll-free telephone number available to allow a
3 consumer to receive information about how to request a
4 security freeze, which the consumer must return by certified
5 mail.

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

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

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

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

26 (iii) A deposit account information service company
27 which issues reports regarding account closures due to
28 fraud, substantial overdrafts, automated teller machine
29 (ATM) abuse or similar negative information regarding a
30 consumer to inquiring banks or other financial

1 institutions for use only in reviewing a consumer request
2 for a deposit account at the inquiring bank or financial
3 institution.

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

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

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

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

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

1 or on behalf of the consumer's child.

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

6 * * *

7 Section 4. Consumer reporting agency.

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

24 Section 7. Temporary access or removal of security freeze.

25 (a) Request.--If the consumer wishes to allow his consumer
26 report or the consumer report of a child to be accessed for a
27 specific period of time or by a specific third party while a
28 security freeze is in place or to remove a security freeze, he
29 shall be able to contact the consumer reporting agency by
30 certified mail or by a toll-free telephone number which shall be

1 provided by the consumer reporting agency and may be able to
2 contact the consumer reporting agency through a secure Internet
3 connection which may be established by the consumer reporting
4 agency and request that the security freeze be temporarily
5 lifted or removed and provide all of the following:

6 (1) Proper identification.

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

10 (3) One of the following:

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

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

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

17 * * *

18 Section 9. Fees.

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

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

30 (2) In the case of a security freeze placed on a

1 consumer report of a consumer who is at least 18 years of
2 age, the amount of the charge to initially place or
3 temporarily lift the freeze may not exceed \$10.

4 (3) In the case of a security freeze placed on a
5 consumer report of a child, the amount of the charge to
6 initially place or temporarily lift the freeze may not exceed
7 \$5.

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

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

12 (b) Exceptions.--

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

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

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

28 (1) Name.

29 (2) Date of birth.

30 (3) Social Security number.

1 (4) Address.

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

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