



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1094

PRINTERS NO. 1356

PRIME SPONSOR: Barrar

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
General Fund	\$0	\$0

SUMMARY: Amends the Credit Reporting Agency Act (Act 163 of 2006) by eliminating the automatic expiration of security freezes on consumer credit reports, and by providing for protected persons security freeze. Section 10.1 of the act shall take effect on January 1, 2018 with the remainder of this legislation taking effect in 60 days.

ANALYSIS: This legislation amends Act 163 by removing provisions that permit a consumer's credit report security freeze to expire after 7 years. A security freeze will remain in effect until the credit reporting agency receives a request from the consumer to have the freeze removed. The freeze shall be lifted within three business days after the consumer request is made.

The legislation also provides for security freezes for "protected persons", defined as those under 16, incapacitated, and under adult guardianship. A consumer protection agency shall place a security freeze on a protected person's account if the agency receives certain information from the guardian to place the freeze. If no credit report is found on the person, the agency shall create a credit report and place the freeze.

A fee may be charged by the agency to place the freeze, except when there is a police report alleging identity fraud; or if the person is under 16 and in foster care.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 28, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.