

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 180 Session of 2005

INTRODUCED BY CORMAN, WONDERLING, GREENLEAF, M. WHITE, KASUNIC, RHOADES, TARTAGLIONE, KITCHEN, MUSTO, O'PAKE, COSTA, D. WHITE, STACK, ORIE, RAFFERTY, ARMSTRONG AND VANCE, FEBRUARY 11, 2005

SENATOR ARMSTRONG, BANKING AND INSURANCE, AS AMENDED, JUNE 19, 2006

AN ACT

1 Providing for protection from identity theft, for security
2 alerts and freezes, for procedures for access after
3 imposition and removal of security freezes and for related
4 matters.

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

7 ~~Section 1. Short title.~~

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8 ~~This act shall be known and may be cited as the Credit
9 Reporting Agency Law.~~

10 ~~Section 2. Definitions.~~

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

14 ~~"Clear and proper identification." Information generally
15 deemed sufficient to identify a person.~~

16 ~~"Credit report." Any written, oral or other communication of
17 any credit information by a credit reporting agency, as defined~~

1 ~~in the Fair Credit Reporting Act (Public Law 91-508, 15 U.S.C. §~~
2 ~~1681 et seq.), which operates or maintains a database of~~
3 ~~consumer credit information bearing on a consumer's~~
4 ~~creditworthiness, credit standing or credit capacity.~~

5 ~~"Credit reporting agency." Any person who, for monetary~~
6 ~~fees, dues or on a cooperative nonprofit basis, regularly~~
7 ~~engages in whole or in part in the practice of assembling or~~
8 ~~evaluating consumer credit information or other information on~~
9 ~~consumers for the purpose of furnishing consumer reports to~~
10 ~~third parties and who uses any means or facility of interstate~~
11 ~~commerce for the purpose of preparing or furnishing consumer~~
12 ~~reports. The term does not mean a check acceptance service which~~
13 ~~provides check approval and guarantees services to merchants.~~

14 ~~"Security alert." A notice placed on a consumer file or in a~~
15 ~~consumer's report, at the request of the consumer, that is sent~~
16 ~~to a recipient of a consumer report or file involving that~~
17 ~~consumer file, signifying the fact that the consumer's identity~~
18 ~~may have been used without the consumer's consent to~~
19 ~~fraudulently obtain goods or services in the consumer's name.~~

20 ~~"Security freeze." A notice placed on a consumer file, at~~
21 ~~the request of the consumer and subject to certain exceptions,~~
22 ~~that prohibits a credit reporting agency from releasing the~~
23 ~~consumer's credit report or credit score without the express~~
24 ~~authorization of the consumer.~~

25 ~~Section 3.— Security alert.~~

26 ~~(a) General rule.— A consumer may elect to place a security~~
27 ~~alert in his or her credit report by making a request in writing~~
28 ~~or by telephone to a consumer credit reporting agency.~~

29 ~~(b) Notification.— A consumer credit reporting agency shall~~
30 ~~notify each person requesting consumer credit information with~~

1 ~~respect to a consumer of the existence of a security alert in~~
2 ~~the credit report of that consumer, regardless of whether a full~~
3 ~~credit report, credit score or summary report is requested.~~

4 ~~(c) Toll free telephone number. Each consumer credit~~
5 ~~reporting agency shall maintain a toll free telephone number to~~
6 ~~accept security alert requests from consumers 24 hours a day,~~
7 ~~seven days a week. The toll free telephone number shall be~~
8 ~~included in any written disclosure by a consumer credit~~
9 ~~reporting agency to any consumer and shall be printed in a clear~~
10 ~~and conspicuous manner.~~

11 ~~(d) Security alert request. A consumer credit reporting~~
12 ~~agency shall place a security alert on a consumer's credit~~
13 ~~report no later than five business days after receiving a~~
14 ~~request from the consumer.~~

15 ~~(e) Placement and renewal. The security alert shall remain~~
16 ~~in place for at least one year, and a consumer shall have the~~
17 ~~right to request a renewal of the security alert.~~

18 ~~(f) Approval. Any person who uses a consumer credit report~~
19 ~~in connection with the approval of credit based on an~~
20 ~~application for an extension of credit, or with the purchase,~~
21 ~~lease or rental of goods or noncredit related services and who~~
22 ~~receives notification of a security alert pursuant to subsection~~
23 ~~(a) may not lend money, extend credit or complete the purchase,~~
24 ~~lease or rental of goods or noncredit related services without~~
25 ~~taking reasonable steps to verify the consumer's identity, in~~
26 ~~order to ensure that the application for an extension of credit~~
27 ~~or for the purchase, lease or rental of goods or noncredit~~
28 ~~related services is not the result of identity theft. If the~~
29 ~~consumer has placed a statement with the security alert in his~~
30 ~~or her file requesting that identity be verified by calling a~~

1 ~~specified telephone number, any person who receives that~~
2 ~~statement with the security alert in a consumer's file pursuant~~
3 ~~to subsection (a) shall take reasonable steps to verify the~~
4 ~~identity of the consumer by contacting the consumer using the~~
5 ~~specified telephone number prior to lending money, extending~~
6 ~~credit or completing the purchase, lease or rental of goods or~~
7 ~~noncredit related services. If a person uses a consumer credit~~
8 ~~report to facilitate the extension of credit or for another~~
9 ~~permissible purpose on behalf of a subsidiary, affiliate, agent,~~
10 ~~assignee or prospective assignee, that person may verify a~~
11 ~~consumer's identity under this section in lieu of the~~
12 ~~subsidiary, affiliate, agent, assignee or prospective assignee.~~

13 ~~(g) Extension of credit. For purposes of this section,~~
14 ~~"extension of credit" does not include an increase in the dollar~~
15 ~~limit of an existing open end credit plan, as defined in~~
16 ~~Regulation Z issued by the Board of Governors of the Federal~~
17 ~~Reserve System of 12 CFR 226.2 (relating to definitions and~~
18 ~~rules of construction), or any change to, or review of, an~~
19 ~~existing credit account.~~

20 ~~(h) Verification of identity. If reasonable steps are taken~~
21 ~~to verify the identity of the consumer, those steps constitute~~
22 ~~compliance with the requirements of this section, except that if~~
23 ~~a consumer has placed a statement including a telephone number~~
24 ~~with the security alert in his or her file, his or her identity~~
25 ~~shall be verified by contacting the consumer using that~~
26 ~~telephone number as specified pursuant to subsection (f).~~

27 ~~(i) Notice of expiration date. A consumer credit reporting~~
28 ~~agency shall notify each consumer who has requested that a~~
29 ~~security alert be placed on his or her consumer credit report of~~
30 ~~the expiration date of the alert.~~

1 ~~Section 4. Security freeze.~~

2 ~~(a) Request for freeze. A consumer may elect to place a~~
3 ~~security freeze on his credit report by written request, sent by~~
4 ~~certified mail, that includes clear and proper identification,~~
5 ~~to a credit reporting agency. A credit reporting agency shall~~
6 ~~place a security freeze on a consumer's credit report no later~~
7 ~~than five business days after receiving a written request for~~
8 ~~the security freeze from the consumer.~~

9 ~~(b) Effect of security freeze. When a security freeze is in~~
10 ~~place, information from a consumer's credit report shall not be~~
11 ~~released to a third party without prior express authorization~~
12 ~~from the consumer. This subsection shall not prevent a credit~~
13 ~~reporting agency from advising a third party that a security~~
14 ~~freeze is in effect with respect to the consumer's credit~~
15 ~~report.~~

16 ~~(c) Third party request. If a third party requests access~~
17 ~~to a consumer credit report on which a security freeze is in~~
18 ~~effect, and this request is in connection with an application~~
19 ~~for credit or any other use, and the consumer does not allow his~~
20 ~~or her credit report to be accessed for that specific party or~~
21 ~~period of time, the third party may treat the application as~~
22 ~~incomplete.~~

23 ~~Section 5. Credit reporting agency.~~

24 ~~The credit reporting agency shall, no later than ten business~~
25 ~~days after the date the agency receives the request for a~~
26 ~~security freeze, send the consumer a written confirmation that~~
27 ~~provides the consumer with a unique personal identification~~
28 ~~number or password to be used by the consumer when providing~~
29 ~~authorization for the access to his credit file for a specific~~
30 ~~period of time. In addition, the credit reporting agency shall~~

1 ~~simultaneously provide to the consumer in writing notification~~
2 ~~of the process of placing, removing the temporarily lifting a~~
3 ~~security freeze and the process for allowing access to~~
4 ~~information from the consumer's credit file for a specific party~~
5 ~~or for a specific period while the security freeze is in effect.~~

6 ~~Section 6. Personal identification.~~

7 ~~A consumer may request in writing a replacement personal~~
8 ~~identification number or password. The request must comply with~~
9 ~~the requirements for requesting a security freeze under section~~
10 ~~4 (relating to security freeze). The credit reporting agency~~
11 ~~shall, no later than seven business days after the date the~~
12 ~~agency receives the request for a replacement personal~~
13 ~~identification number or password, provide the consumer with a~~
14 ~~new, unique personal identification number or password to be~~
15 ~~used by the consumer instead of the number or password that was~~
16 ~~provided under section 5 (relating to credit reporting agency).~~

17 ~~Section 7. Notification of freeze.~~

18 ~~A credit reporting agency shall notify a person who requests~~
19 ~~a consumer report or score if a security alert or freeze is in~~
20 ~~effect for the consumer file involved in that report or score.~~

21 ~~Section 8. Effect of freeze.~~

22 ~~If a third party requests access to a consumer credit report~~
23 ~~on which a security freeze is in effect and this request is in~~
24 ~~connection with an application for credit or any other use and~~
25 ~~the consumer does not allow his credit report to be accessed for~~
26 ~~that specific period of time, the third party must treat the~~
27 ~~application as incomplete.~~

28 ~~Section 9. Temporary freeze.~~

29 ~~(a) Request. If the consumer wishes to allow his credit~~
30 ~~report or score to be accessed for a specific period of time~~

1 while a freeze is in place, he shall contact the credit
2 reporting agency and request that the freeze be temporarily
3 lifted and provide the following:

4 (1) Clear and proper identification.

5 (2) The unique personal identification number or
6 password provided by the credit reporting agency pursuant to
7 section 5 (relating to credit reporting agency).

8 (3) The proper information regarding the time period for
9 which the report shall be available to users of the credit
10 report.

11 (4) The proper information regarding the third party who
12 is to receive the credit report or the time period for which
13 the report shall be available to users of the credit report.

14 (b) Agency requirement. A credit reporting agency that
15 receives a request from a consumer to temporarily lift a freeze
16 on a credit report pursuant to subsection (a) shall comply with
17 the request no later than three business days after receiving
18 the request. A credit reporting agency may develop procedures
19 involving the use of the telephone, facsimile, Internet or other
20 electronic media to receive and process a request from a
21 consumer to temporarily lift a freeze on a credit report or
22 score pursuant to subsection (a) in an expedited manner.

23 (c) Removal of temporary freeze. A credit reporting agency
24 shall remove or temporarily lift a freeze placed on a consumer's
25 credit report only in the following cases:

26 (1) Upon consumer request as provided in this section.

27 (2) If the consumer's credit report was frozen due to a
28 material misrepresentation of fact by the consumer. If a
29 credit reporting agency intends to remove a freeze upon a
30 consumer's credit report pursuant to this paragraph, the

1 ~~credit reporting agency shall notify the consumer in writing~~
2 ~~prior to removing the freeze on the consumer's credit report.~~

3 ~~(d) Duration of freeze. A security freeze shall remain in~~
4 ~~place until the consumer requests that the security freeze be~~
5 ~~removed. A credit reporting agency shall remove a security~~
6 ~~freeze within three business days of receiving a request for~~
7 ~~removal from the consumer who provides both of the following:~~

8 ~~(1) Clear and proper identification.~~

9 ~~(2) The unique personal identification number or~~
10 ~~password provided by the credit reporting agency.~~

11 ~~(e) Applicability of freeze. A security freeze does not~~
12 ~~apply to a consumer report provided to:~~

13 ~~(1) A Federal, State or local government entity,~~
14 ~~including a law enforcement agency or court, or their agents~~
15 ~~or assigns.~~

16 ~~(2) A private collection agency for the sole purpose of~~
17 ~~assisting in the collection of an existing debt of the~~
18 ~~consumer who is the subject of the credit report requested.~~

19 ~~(3) A person or entity or a subsidiary, affiliate or~~
20 ~~agent of that person or entity, or an assignee of a financial~~
21 ~~obligation owing by the consumer to that person or entity, or~~
22 ~~a prospective assignee of a financial obligation owing by the~~
23 ~~consumer to that person or entity in conjunction with the~~
24 ~~proposed purchase of the financial obligation, with which the~~
25 ~~consumer has or had prior to assignment an account or~~
26 ~~contract, including a demand deposit account, or to whom the~~
27 ~~consumer issued a negotiable instrument, for the purposes of~~
28 ~~reviewing the account or collecting the financial obligation~~
29 ~~owing for the account, contract or negotiable instrument. For~~
30 ~~purposes of this paragraph, "reviewing the account" includes~~

1 ~~activities related to account maintenance, monitoring, credit~~
2 ~~line increases and account upgrades and enhancements.~~

3 ~~(4) A subsidiary, affiliate, agent, assignee or~~
4 ~~prospective assignee of a person to whom access has been~~
5 ~~granted under this section for the purposes of facilitating~~
6 ~~the extension of credit.~~

7 ~~(5) A person, for the purposes of prescreening as~~
8 ~~provided by the Fair Credit Reporting Act (Public Law 91-508,~~
9 ~~15 U.S.C. § 1681 et seq.).~~

10 ~~(6) A credit reporting agency for the purposes of~~
11 ~~providing a consumer with a copy of his own report on his~~
12 ~~request.~~

13 ~~(7) A child support enforcement agency.~~

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

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

28 ~~(10) A deposit account information service company which~~
29 ~~issues reports regarding account closures due to fraud,~~
30 ~~substantial overdrafts, ATM abuse or similar negative~~

1 ~~information regarding a consumer to inquiring banks or other~~
2 ~~financial institutions for use only in reviewing a consumer~~
3 ~~request for a deposit account at the inquiring bank or~~
4 ~~financial institution.~~

5 ~~Section 10.— Fees.~~

6 ~~(a) General rule.— A credit reporting agency may impose a~~
7 ~~reasonable charge on a consumer for initially placing a security~~
8 ~~freeze on a consumer file. The amount of the charge may not~~
9 ~~exceed \$10. The charge to temporarily lift the security freeze~~
10 ~~may not exceed \$8 per request. At no time shall the consumer be~~
11 ~~charged for revoking the freeze. An exception shall be allowed~~
12 ~~whereby the consumer will be charged \$0 by the consumer~~
13 ~~reporting agency placing the security freeze if any of the~~
14 ~~following apply:~~

15 ~~(1) If the consumer is a victim of identity theft and,~~
16 ~~upon the request of the consumer reporting agency, provides~~
17 ~~the credit reporting agency with a police report.~~

18 ~~(2) If the consumer is 62 years of age or older.~~

19 ~~(b) Confirmation required.— If a security freeze is in~~
20 ~~place, a credit reporting agency shall not change any of the~~
21 ~~following official information in a consumer credit report~~
22 ~~without sending a written confirmation of the change to the~~
23 ~~consumer within 30 days of the change being posted to the~~
24 ~~consumer's file:~~

25 ~~(1) Name.~~

26 ~~(2) Date of birth.~~

27 ~~(3) Social Security number.~~

28 ~~(4) Address.~~

29 ~~Written confirmation is not required for technical modifications~~
30 ~~of a consumer's official information, including name and street~~

1 ~~abbreviations, complete spellings or transposition of numbers or~~
2 ~~letters. In the case of an address change, the written~~
3 ~~confirmation shall be sent to both the new address and to the~~
4 ~~former address.~~

5 ~~Section 11. Damages.~~

6 ~~Any consumer damaged by an intentional or negligent violation~~
7 ~~of this act may bring an action for and shall be entitled to~~
8 ~~recovery of actual damages, plus reasonable attorney fees, court~~
9 ~~costs and other reasonable costs of prosecution of the suit.~~

10 ~~Section 12. Effective date.~~

11 ~~This act shall take effect in 60 days.~~

12 SECTION 1. SHORT TITLE.

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13 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE CREDIT
14 REPORTING AGENCY LAW.

15 SECTION 2. DEFINITIONS.

16 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
17 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
18 CONTEXT CLEARLY INDICATES OTHERWISE:

19 "CONSUMER." AN INDIVIDUAL.

20 "CONSUMER REPORT." A WRITTEN, ORAL OR OTHER COMMUNICATION OF
21 ANY INFORMATION BY A CONSUMER REPORTING AGENCY BEARING ON A
22 CONSUMER'S CREDITWORTHINESS, CREDIT STANDING OR CREDIT CAPACITY.

23 "CONSUMER REPORTING AGENCY." ANY PERSON WHO, FOR MONETARY
24 FEES, DUES OR ON A COOPERATIVE BASIS, REGULARLY ENGAGES IN WHOLE
25 OR IN PART IN THE PRACTICE OF ASSEMBLING OR EVALUATING CONSUMER
26 CREDIT INFORMATION OR OTHER INFORMATION ON CONSUMERS FOR THE
27 PURPOSE OF FURNISHING CONSUMER REPORTS TO THIRD PARTIES.

28 "SECURITY FREEZE." A NOTICE PLACED ON A CONSUMER REPORT, AT
29 THE REQUEST OF THE CONSUMER AND SUBJECT TO CERTAIN EXCEPTIONS,
30 THAT PROHIBITS A CONSUMER REPORTING AGENCY FROM RELEASING THE

1 CONSUMER REPORT WITHOUT THE EXPRESS AUTHORIZATION OF THE
2 CONSUMER.

3 SECTION 3. SECURITY FREEZE.

4 (A) REQUEST FOR FREEZE.--

5 (1) A CONSUMER MAY ELECT TO PLACE A SECURITY FREEZE ON
6 HIS CONSUMER REPORT BY WRITTEN REQUEST, SENT BY CERTIFIED
7 MAIL, THAT INCLUDES CLEAR AND PROPER IDENTIFICATION, TO A
8 CONSUMER REPORTING AGENCY. A CONSUMER REPORTING AGENCY SHALL
9 PLACE A SECURITY FREEZE ON A CONSUMER REPORT NO LATER THAN
10 FIVE BUSINESS DAYS AFTER RECEIVING A WRITTEN REQUEST FOR THE
11 SECURITY FREEZE FROM THE CONSUMER.

12 (2) THE FOLLOWING ENTITIES ARE NOT REQUIRED TO PLACE A
13 SECURITY FREEZE IN A CONSUMER REPORT:

14 (I) A CREDIT REPORTING AGENCY THAT ACTS ONLY AS A
15 RESELLER OF CREDIT INFORMATION BY ASSEMBLING AND MERGING
16 INFORMATION CONTAINED IN THE DATABASE OF ANOTHER CREDIT
17 REPORTING AGENCY OR MULTIPLE CREDIT REPORTING AGENCIES
18 AND DOES NOT MAINTAIN A PERMANENT DATABASE OF CREDIT
19 INFORMATION FROM WHICH NEW CREDIT REPORTS ARE PRODUCED,
20 HOWEVER, A CREDIT REPORTING AGENCY ACTING AS A RESELLER
21 SHALL HONOR ANY SECURITY FREEZE PLACED ON A CREDIT REPORT
22 BY ANOTHER CREDIT REPORTING AGENCY.

23 (II) A CHECK SERVICES OR FRAUD PREVENTION SERVICES
24 COMPANY WHICH ISSUES REPORTS ON INCIDENTS OF FRAUD OR
25 AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING
26 NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS TRANSFERS OR
27 SIMILAR METHODS OF PAYMENTS.

28 (III) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY
29 WHICH ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO
30 FRAUD, SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE

1 (ATM) ABUSE OR SIMILAR NEGATIVE INFORMATION REGARDING A
2 CONSUMER TO INQUIRING BANKS OR OTHER FINANCIAL
3 INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER REQUEST
4 FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL
5 INSTITUTION.

6 (B) EFFECT OF SECURITY FREEZE.--EXCEPT AS PROVIDED IN
7 SUBSECTION (E), WHEN A SECURITY FREEZE IS IN PLACE, INFORMATION
8 FROM A CONSUMER REPORT SHALL NOT BE RELEASED TO A THIRD PARTY
9 WITHOUT PRIOR EXPRESS AUTHORIZATION FROM THE CONSUMER. THIS
10 SUBSECTION SHALL NOT PREVENT A CONSUMER REPORTING AGENCY FROM
11 ADVISING A THIRD PARTY THAT A SECURITY FREEZE IS IN EFFECT WITH
12 RESPECT TO A CONSUMER REPORT.

13 (C) THIRD-PARTY REQUEST.--IF A THIRD PARTY REQUESTS ACCESS
14 TO A CONSUMER REPORT ON WHICH A SECURITY FREEZE IS IN EFFECT,
15 AND THE CONSUMER DOES NOT ALLOW HIS OR HER CONSUMER REPORT TO BE
16 ACCESSED FOR THAT SPECIFIC PARTY OR FOR A PERIOD OF TIME, THE
17 THIRD PARTY SHALL TREAT THE APPLICATION AS INCOMPLETE.

18 (D) DURATION OF FREEZE.--A SECURITY FREEZE SHALL REMAIN IN
19 PLACE UNTIL THE CONSUMER REQUESTS THAT THE SECURITY FREEZE BE
20 REMOVED UNDER SECTION 7.

21 (E) APPLICABILITY OF FREEZE.--A SECURITY FREEZE DOES NOT
22 APPLY TO A CONSUMER REPORT PROVIDED TO:

23 (1) A FEDERAL, STATE OR LOCAL GOVERNMENT ENTITY,
24 INCLUDING A LAW ENFORCEMENT AGENCY OR COURT, OR THEIR AGENTS
25 OR ASSIGNS.

26 (2) A PRIVATE COLLECTION AGENCY FOR THE SOLE PURPOSE OF
27 ASSISTING IN THE COLLECTION OF AN EXISTING DEBT OF THE
28 CONSUMER WHO IS THE SUBJECT OF THE CONSUMER REPORT REQUESTED.

29 (3) A PERSON OR ENTITY OR A SUBSIDIARY, AFFILIATE OR
30 AGENT OF THAT PERSON OR ENTITY, OR AN ASSIGNEE OF A FINANCIAL

1 OBLIGATION OWED BY THE CONSUMER TO THAT PERSON OR ENTITY, OR
2 A PROSPECTIVE ASSIGNEE OF A FINANCIAL OBLIGATION OWED BY THE
3 CONSUMER TO THAT PERSON OR ENTITY IN CONJUNCTION WITH THE
4 PROPOSED PURCHASE OF THE FINANCIAL OBLIGATION, WITH WHICH THE
5 CONSUMER HAS OR HAD PRIOR TO ASSIGNMENT AN ACCOUNT OR
6 CONTRACT, INCLUDING A DEMAND DEPOSIT ACCOUNT, OR TO WHOM THE
7 CONSUMER ISSUED A NEGOTIABLE INSTRUMENT, FOR THE PURPOSES OF
8 REVIEWING THE ACCOUNT OR COLLECTING THE FINANCIAL OBLIGATION
9 OWING FOR THE ACCOUNT, CONTRACT OR NEGOTIABLE INSTRUMENT. FOR
10 PURPOSES OF THIS PARAGRAPH, "REVIEWING THE ACCOUNT" INCLUDES
11 ACTIVITIES RELATED TO ACCOUNT MAINTENANCE, MONITORING, CREDIT
12 LINE INCREASES AND ACCOUNT UPGRADES AND ENHANCEMENTS.

13 (4) A SUBSIDIARY, AFFILIATE, AGENT, ASSIGNEE OR
14 PROSPECTIVE ASSIGNEE OF A PERSON TO WHOM ACCESS HAS BEEN
15 GRANTED UNDER THIS SECTION FOR THE PURPOSES OF FACILITATING
16 THE EXTENSION OF CREDIT.

17 (5) A PERSON, FOR THE PURPOSES OF PRESCREENING AS
18 PROVIDED BY THE FAIR CREDIT REPORTING ACT (PUBLIC LAW 91-508,
19 15 U.S.C. § 1681 ET SEQ.).

20 (6) A CONSUMER REPORTING AGENCY FOR THE PURPOSES OF
21 PROVIDING A CONSUMER WITH A COPY OF HIS OWN CONSUMER REPORT
22 ON HIS REQUEST.

23 (7) A CHILD SUPPORT ENFORCEMENT AGENCY.

24 (8) A CONSUMER REPORTING AGENCY THAT ACTS ONLY AS A
25 RESELLER OF CREDIT INFORMATION BY ASSEMBLING AND MERGING
26 INFORMATION CONTAINED IN THE DATABASE OF ANOTHER CONSUMER
27 REPORTING AGENCY OR MULTIPLE CONSUMER REPORTING AGENCIES AND
28 DOES NOT MAINTAIN A PERMANENT DATABASE OF CREDIT INFORMATION
29 FROM WHICH NEW CONSUMER REPORTS ARE PRODUCED. HOWEVER, A
30 CONSUMER REPORTING AGENCY ACTING AS A RESELLER SHALL HONOR

1 ANY SECURITY FREEZE PLACED ON A CONSUMER REPORT BY ANOTHER
2 CONSUMER REPORTING AGENCY.

3 (9) A CHECK SERVICES OR FRAUD PREVENTION SERVICES
4 COMPANY WHICH ISSUES REPORTS ON INCIDENTS OF FRAUD OR
5 AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING
6 NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS TRANSFERS OR SIMILAR
7 METHODS OF PAYMENTS.

8 (10) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY WHICH
9 ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,
10 SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE (ATM) ABUSE
11 OR SIMILAR NEGATIVE INFORMATION REGARDING A CONSUMER TO
12 INQUIRING BANKS OR OTHER FINANCIAL INSTITUTIONS FOR USE ONLY
13 IN REVIEWING A CONSUMER REQUEST FOR A DEPOSIT ACCOUNT AT THE
14 INQUIRING BANK OR FINANCIAL INSTITUTION.

15 (11) ANY PERSON OR ENTITY FOR USE IN SETTING OR
16 ADJUSTING A RATE, ISSUING OR UNDERWRITING A POLICY, ADJUSTING
17 A CLAIM OR SERVICING A POLICY FOR UNDERWRITING FOR PROPERTY
18 AND CASUALTY INSURANCE PURPOSES.

19 (12) A PERSON OR ENTITY ADMINISTERING A CREDIT FILE
20 MONITORING SUBSCRIPTION SERVICE OR SIMILAR SERVICE TO WHICH
21 THE CONSUMER HAS SUBSCRIBED.

22 SECTION 4. CONSUMER REPORTING AGENCY.

23 THE CONSUMER REPORTING AGENCY SHALL, NO LATER THAN TEN
24 BUSINESS DAYS AFTER THE DATE THE AGENCY RECEIVES A REQUEST FROM
25 A CONSUMER FOR A SECURITY FREEZE, SEND THE CONSUMER A WRITTEN
26 CONFIRMATION THAT PROVIDES THE CONSUMER WITH A UNIQUE PERSONAL
27 IDENTIFICATION NUMBER OR PASSWORD TO BE USED BY THE CONSUMER
28 WHEN PROVIDING AUTHORIZATION FOR THE ACCESS TO HIS CONSUMER
29 REPORT FOR A SPECIFIC PERIOD OF TIME OR FOR A SPECIFIC THIRD
30 PARTY OR REMOVING THE SECURITY FREEZE. IN ADDITION, THE CONSUMER

1 REPORTING AGENCY SHALL SIMULTANEOUSLY PROVIDE TO THE CONSUMER IN
2 WRITING NOTIFICATION OF THE PROCESS OF REMOVING A SECURITY
3 FREEZE AND THE PROCESS OF TEMPORARILY LIFTING A SECURITY FREEZE
4 AND THE PROCESS FOR ALLOWING ACCESS TO INFORMATION FROM THE
5 CONSUMER REPORT FOR A SPECIFIC PARTY OR FOR A SPECIFIC PERIOD
6 WHILE THE SECURITY FREEZE IS IN EFFECT.

7 SECTION 5. PERSONAL IDENTIFICATION.

8 A CONSUMER MAY REQUEST IN WRITING A REPLACEMENT PERSONAL
9 IDENTIFICATION NUMBER OR PASSWORD. THE REQUEST MUST COMPLY WITH
10 THE REQUIREMENTS FOR REQUESTING A SECURITY FREEZE UNDER SECTION
11 3. THE CONSUMER REPORTING AGENCY SHALL, NO LATER THAN TEN
12 BUSINESS DAYS AFTER THE DATE THE AGENCY RECEIVES THE REQUEST FOR
13 A REPLACEMENT PERSONAL IDENTIFICATION NUMBER OR PASSWORD,
14 PROVIDE THE CONSUMER WITH A NEW, UNIQUE PERSONAL IDENTIFICATION
15 NUMBER OR PASSWORD TO BE USED BY THE CONSUMER INSTEAD OF THE
16 NUMBER OR PASSWORD THAT WAS PROVIDED UNDER SECTION 4.

17 SECTION 6. NOTIFICATION OF FREEZE.

18 A CONSUMER REPORTING AGENCY SHALL NOTIFY A PERSON WHO
19 REQUESTS A CONSUMER REPORT IF A SECURITY FREEZE IS IN EFFECT FOR
20 THE CONSUMER REPORT REQUESTED.

21 SECTION 7. TEMPORARY ACCESS OR REMOVAL OF SECURITY FREEZE.

22 (A) REQUEST.--IF THE CONSUMER WISHES TO ALLOW HIS CONSUMER
23 REPORT TO BE ACCESSED FOR A SPECIFIC PERIOD OF TIME OR BY A
24 SPECIFIC THIRD PARTY WHILE A FREEZE IS IN PLACE OR TO REMOVE A
25 SECURITY FREEZE HE SHALL CONTACT THE CONSUMER REPORTING AGENCY
26 BY CERTIFIED MAIL AND REQUEST THAT THE FREEZE BE TEMPORARILY
27 LIFTED OR REMOVED AND PROVIDE ALL OF THE FOLLOWING:

28 (1) CLEAR AND PROPER IDENTIFICATION.

29 (2) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR

30 PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY PURSUANT

1 TO THIS ACT.

2 (3) ONE OF THE FOLLOWING:

3 (I) THE PROPER INFORMATION REGARDING THE TIME PERIOD
4 FOR WHICH THE CONSUMER REPORT SHALL BE AVAILABLE TO ANY
5 PERSON.

6 (II) THE PROPER INFORMATION REGARDING THE THIRD
7 PARTY WHO IS TO RECEIVE THE CONSUMER REPORT.

8 (III) A REQUEST THAT THE SECURITY FREEZE BE REMOVED.

9 (B) AGENCY REQUIREMENT.--A CONSUMER REPORTING AGENCY THAT
10 RECEIVES A REQUEST FROM A CONSUMER PURSUANT TO SUBSECTION (A)
11 SHALL COMPLY WITH THE REQUEST NO LATER THAN THREE BUSINESS DAYS
12 AFTER RECEIVING THE REQUEST.

13 (C) REMOVAL OF SECURITY FREEZE.--A CONSUMER REPORTING AGENCY
14 SHALL TEMPORARILY LIFT OR REMOVE A SECURITY FREEZE PLACED ON A
15 CONSUMER REPORT ONLY IN THE FOLLOWING CASES:

16 (1) UPON THE CONSUMER'S REQUEST AS PROVIDED FOR IN THIS
17 SECTION.

18 (2) IF THE CONSUMER REPORT WAS FROZEN DUE TO A MATERIAL
19 MISREPRESENTATION OF FACT BY THE CONSUMER OR OTHER PERSON. IF
20 A CONSUMER REPORTING AGENCY INTENDS TO REMOVE A FREEZE UPON A
21 CONSUMER REPORT PURSUANT TO THIS PARAGRAPH, THE CONSUMER
22 REPORTING AGENCY SHALL NOTIFY THE CONSUMER IN WRITING PRIOR
23 TO REMOVING THE FREEZE ON THE CONSUMER REPORT.

24 SECTION 8. SECURE PROCEDURES.

25 IN ADDITION TO THE REQUIREMENTS OF THIS ACT, A CONSUMER
26 REPORTING AGENCY MAY DEVELOP SECURE PROCEDURES, INCLUDING, BUT
27 NOT LIMITED TO, THE USE OF THE TELEPHONE, FACSIMILE, INTERNET OR
28 OTHER ELECTRONIC MEDIA TO RECEIVE AND PROCESS A REQUEST FROM A
29 CONSUMER TO PLACE A SECURITY FREEZE, TEMPORARILY LIFT A SECURITY
30 FREEZE OR REMOVE A SECURITY FREEZE ON A CONSUMER REPORT PURSUANT

1 TO THIS ACT IN AN EXPEDITED MANNER.

2 SECTION 9. FEES.

3 (A) GENERAL RULE.--A CONSUMER REPORTING AGENCY MAY IMPOSE A
4 REASONABLE CHARGE ON A CONSUMER FOR INITIALLY PLACING A SECURITY
5 FREEZE ON A CONSUMER REPORT. THE AMOUNT OF THE CHARGE MAY NOT
6 EXCEED \$10. THE CHARGE TO TEMPORARILY LIFT THE SECURITY FREEZE
7 MAY NOT EXCEED \$10 PER REQUEST. AT NO TIME SHALL THE CONSUMER BE
8 CHARGED FOR REMOVING THE FREEZE. AN EXCEPTION SHALL BE ALLOWED
9 WHEREBY A CONSUMER WILL NOT BE CHARGED BY THE CONSUMER REPORTING
10 AGENCY FOR PLACING A SECURITY FREEZE IF ANY OF THE FOLLOWING
11 APPLY:

12 (1) IF THE CONSUMER IS A VICTIM OF IDENTITY THEFT AND
13 PROVIDES THE CONSUMER REPORTING AGENCY WITH A POLICE REPORT.

14 (2) IF THE CONSUMER IS 62 YEARS OF AGE OR OLDER.

15 (B) CONFIRMATION REQUIRED.--IF A SECURITY FREEZE IS IN
16 PLACE, A CONSUMER REPORTING AGENCY SHALL NOT CHANGE ANY OF THE
17 FOLLOWING INFORMATION REGARDING A CONSUMER WITHOUT SENDING A
18 WRITTEN CONFIRMATION OF THE CHANGE TO THE CONSUMER WITHIN 30
19 DAYS OF THE CHANGE BEING POSTED:

20 (1) NAME.

21 (2) DATE OF BIRTH.

22 (3) SOCIAL SECURITY NUMBER.

23 (4) ADDRESS.

24 WRITTEN CONFIRMATION IS NOT REQUIRED FOR TECHNICAL MODIFICATIONS
25 OF A CONSUMER'S OFFICIAL INFORMATION, INCLUDING NAME AND STREET
26 ABBREVIATIONS, COMPLETE SPELLINGS OR TRANSPOSITION OF NUMBERS OR
27 LETTERS. IN THE CASE OF AN ADDRESS CHANGE, THE WRITTEN
28 CONFIRMATION SHALL BE SENT TO BOTH THE NEW ADDRESS AND TO THE
29 FORMER ADDRESS.

30 SECTION 10. CIVIL RELIEF.

1 A VIOLATION OF THIS ACT SHALL BE DEEMED TO BE AN UNFAIR OR
2 DECEPTIVE ACT OR PRACTICE IN VIOLATION OF THE ACT OF DECEMBER
3 17, 1968 (P.L.1224, NO.387), KNOWN AS THE UNFAIR TRADE PRACTICES
4 AND CONSUMER PROTECTION LAW. THE OFFICE OF ATTORNEY GENERAL
5 SHALL HAVE EXCLUSIVE AUTHORITY TO BRING AN ACTION UNDER THE
6 UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW FOR A
7 VIOLATION OF THIS ACT.

8 SECTION 11. EFFECTIVE DATE.

9 THIS ACT SHALL TAKE EFFECT JANUARY 1, 2007.