

SHB 1755 - H AMD 45

By Representative Buri

FAILED 03/07/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 19.182.170 and 2005 c 342 s 1 are each amended to  
4 read as follows:

5 (1) A (~~victim of identity theft who has submitted a valid police~~  
6 ~~report to a consumer reporting agency~~) consumer, who is a resident of  
7 this state, may elect to place a security freeze on his or her credit  
8 report by making a request in writing by certified mail to a consumer  
9 reporting agency. "Security freeze" means a (~~notice placed in a~~  
10 ~~consumer's credit report, at the request of the consumer and subject to~~  
11 ~~certain exceptions, that prohibits the consumer reporting agency from~~  
12 ~~releasing the consumer's credit report or any information from it~~  
13 ~~without the express authorization of the consumer~~) prohibition,  
14 consistent with this section, on a consumer reporting agency's  
15 furnishing of a consumer's credit report to a third party intending to  
16 use the credit report to determine the consumer's eligibility for  
17 credit. If a security freeze is in place, information from a  
18 consumer's credit report may not be released to a third party without  
19 prior express authorization from the consumer. This subsection does  
20 not prevent a consumer reporting agency from advising a third party  
21 that a security freeze is in effect with respect to the consumer's  
22 credit report.

23 (2) For purposes of this section and RCW 19.182.180 through  
24 19.182.210(~~(a)~~):

25 (a) "Victim of identity theft" means((÷

26 ~~(a) A victim of identity theft as defined in RCW 9.35.020; or~~

27 ~~(b) A person who has been notified by an agency, person, or~~  
28 ~~business that owns or licenses computerized data of a breach in a~~  
29 ~~computerized data system which has resulted in the acquisition of that~~  
30 ~~person's unencrypted personal information by an unauthorized person or~~

1 entity)) a person who has a police report evidencing their claim to be  
2 a victim of a violation of RCW 9.35.020 and which report will be  
3 produced to a credit reporting agency, upon such credit reporting  
4 agency's request.

5 (b) "Credit report" means a consumer report, as defined in 15  
6 U.S.C. Sec. 1681a, that is used or collected to serve as a factor in  
7 establishing a consumer's eligibility for credit for personal, family,  
8 or household purposes.

9 (c) "Normal business hours" means Sunday through Saturday, between  
10 the hours of 6:00 a.m. and 9:30 p.m. Pacific Standard Time.

11 (3) A consumer reporting agency shall place a security freeze on a  
12 consumer's credit report no later than five business days after  
13 receiving a written request from the consumer and payment of the fee  
14 required by the consumer credit reporting agency under subsection (13)  
15 of this section.

16 (4) The consumer reporting agency shall send a written confirmation  
17 of the security freeze to the consumer within ten business days and  
18 shall provide the consumer with a unique personal identification number  
19 or password to be used by the consumer when providing authorization for  
20 the release of his or her credit report for a specific party or period  
21 of time.

22 (5) If the consumer wishes to allow his or her credit report to be  
23 accessed for a specific (~~party or~~) period of time while a freeze is  
24 in place, he or she shall contact the consumer reporting agency,  
25 request that the freeze be temporarily lifted, and provide the  
26 following:

27 (a) Proper identification, which means that information generally  
28 deemed sufficient to identify a person. Only if the consumer is unable  
29 to sufficiently identify himself or herself, may a consumer reporting  
30 agency require additional information concerning the consumer's  
31 employment and personal or family history in order to verify his or her  
32 identity;

33 (b) The unique personal identification number or password provided  
34 by the credit reporting agency under subsection (4) of this section;  
35 (~~and~~)

36 (c) The proper information regarding (~~the third party who is to~~  
37 ~~receive the credit report or~~) the time period for which the report is  
38 available to users of the credit report; and

1 (d) Payment of the fee required by the consumer credit reporting  
2 agency under subsection (13) of this section.

3 (6) A consumer reporting agency that receives a request from a  
4 consumer to temporarily lift a freeze on a credit report under  
5 subsection (5) of this section(~~(7)~~) shall comply with the request (~~(no~~  
6 ~~later than)~~) within:

7 (a) Three business days (~~(after)~~) of receiving the request by mail;  
8 or

9 (b) Fifteen minutes of receiving the request from the consumer  
10 through the electronic contact method chosen by the consumer reporting  
11 agency in accordance with subsection (8) of this section, if the  
12 request:

13 (i) Is received during normal business hours; and  
14 (ii) Includes the consumer's proper identification and correct  
15 personal identification number or password.

16 (7) A consumer reporting agency is not required to remove a  
17 security freeze within the time provided in subsection (6)(b) of this  
18 section if:

19 (a) The consumer fails to meet the requirements of subsection (5)  
20 of this section; or

21 (b) The consumer reporting agency's ability to remove the security  
22 freeze within fifteen minutes is prevented by:

23 (i) An act of God, including fire, earthquakes, hurricanes, storms,  
24 or similar natural disasters or phenomena;

25 (ii) Unauthorized or illegal acts by a third party, including  
26 terrorism, sabotage, riot, vandalism, labor strikes, or disputes  
27 disrupting operations, or similar occurrences;

28 (iii) An interruption in operations, including electrical failure,  
29 unanticipated delay in equipment or replacement part delivery, computer  
30 hardware or software failures inhibiting response time, or similar  
31 disruptions;

32 (iv) Governmental action, including emergency orders or  
33 regulations, judicial or law enforcement action, or similar directives;

34 (v) Regularly scheduled maintenance of, or updates to, the consumer  
35 reporting agency's systems outside of normal business hours;

36 (vi) Commercially reasonable maintenance of, or repair to, the  
37 consumer reporting agency's systems that is unexpected or unscheduled;

38 or

1        (vii) Receipt of a removal request outside of normal business  
2 hours.

3        (8) A consumer reporting agency may develop procedures involving  
4 the use of telephone, fax, the internet, or other electronic media to  
5 receive and process a request from a consumer to temporarily lift a  
6 freeze on a credit report under subsection (5) of this section in an  
7 expedited manner.

8        ~~((+8+))~~ (9) A consumer reporting agency shall remove or temporarily  
9 lift a freeze placed on a consumer's credit report only in the  
10 following cases:

11        (a) Upon consumer request, under subsection (5) or ~~((+11+))~~ (12) of  
12 this section; or

13        (b) When the consumer's credit report was frozen due to a material  
14 misrepresentation of fact by the consumer. When a consumer reporting  
15 agency intends to remove a freeze upon a consumer's credit report under  
16 this subsection, the consumer reporting agency shall notify the  
17 consumer in writing prior to removing the freeze on the consumer's  
18 credit report.

19        ~~((+9+))~~ (10) When a third party requests access to a consumer  
20 credit report on which a security freeze is in effect, and this request  
21 is in connection with an application for credit or any other use, and  
22 the consumer does not allow his or her credit report to be accessed for  
23 that ~~((specific party or))~~ period of time, the third party may treat  
24 the application as incomplete.

25        ~~((+10+))~~ (11) When a consumer requests a security freeze, the  
26 consumer reporting agency shall disclose the process of placing and  
27 temporarily lifting a freeze, and the process for allowing access to  
28 information from the consumer's credit report for a specific ~~((party~~  
29 ~~or))~~ period of time while the freeze is in place.

30        ~~((+11+))~~ (12) A security freeze remains in place until the consumer  
31 requests that the security freeze be removed. A consumer reporting  
32 agency shall remove a security freeze within three business days of  
33 receiving a request for removal from the consumer, who provides  
34 ~~((both))~~ all of the following:

35        (a) Proper identification, as defined in subsection (5)(a) of this  
36 section; ~~((and))~~

37        (b) The unique personal identification number or password provided

1 by the consumer reporting agency under subsection (4) of this section;  
2 and

3 (c) Payment of the fee required by the consumer credit reporting  
4 agency under subsection (13) of this section.

5 ~~((+12+))~~ (13)(a) Except as provided in (b) of this subsection, a  
6 consumer credit reporting agency may charge a fee of no more than ten  
7 dollars to a consumer for placement of each freeze, temporary lift of  
8 the freeze, or removal of the freeze.

9 (b) A consumer credit reporting agency may not charge a fee to  
10 place a security freeze for a victim of identity theft or for a  
11 consumer, who is sixty-five years old or older.

12 (14) This section does not apply to the use of a consumer credit  
13 report by any of the following:

14 (a) A person or entity, or a subsidiary, affiliate, or agent of  
15 that person or entity, or an assignee of a financial obligation owing  
16 by the consumer to that person or entity, or a prospective assignee of  
17 a financial obligation owing by the consumer to that person or entity  
18 in conjunction with the proposed purchase of the financial obligation,  
19 with which the consumer has or had prior to assignment an account or  
20 contract, including a demand deposit account, or to whom the consumer  
21 issued a negotiable instrument, for the purposes of reviewing the  
22 account or collecting the financial obligation owing for the account,  
23 contract, or negotiable instrument. For purposes of this subsection,  
24 "reviewing the account" includes activities related to account  
25 maintenance, monitoring, credit line increases, and account upgrades  
26 and enhancements;

27 ~~(b) ((A subsidiary, affiliate, agent, assignee, or prospective~~  
28 ~~assignee of a person to whom access has been granted under subsection~~  
29 ~~(5) of this section for purposes of facilitating the extension of~~  
30 ~~credit or other permissible use;~~

31 ~~(e+))~~ Any federal, state, or local entity, including a law  
32 enforcement agency, court, or their agents or assigns;

33 ~~((+d) A private collection agency))~~ (c) Any person acting under a  
34 court order, warrant, or subpoena;

35 ~~((+e+))~~ (d) A child support agency acting under Title IV-D of the  
36 social security act (42 U.S.C. et seq.);

37 ~~((+f+))~~ (e) The department of social and health services acting to  
38 fulfill any of its statutory responsibilities;

1       ~~((g))~~ (f) The internal revenue service acting to investigate or  
2 collect delinquent taxes or unpaid court orders or to fulfill any of  
3 its other statutory responsibilities;

4       ~~((h))~~ (g) The use of credit information for the purposes of  
5 prescreening as provided for by the federal fair credit reporting act;

6       ~~((i))~~ (h) Any person or entity administering a credit file  
7 monitoring subscription service to which the consumer has subscribed;  
8 (~~and~~

9       ~~((j))~~ (i) Any person or entity for the purpose of providing a  
10 consumer with a copy of his or her credit report upon the consumer's  
11 request; and

12       (j) A mortgage broker or loan originator required to be licensed  
13 under chapter 19.146 RCW.

14       (15) Liability may not result to the consumer credit reporting  
15 agency if through inadvertence or mistake the consumer credit reporting  
16 agency releases credit report information to a person or entity  
17 purporting to be a mortgage broker or loan originator under subsection  
18 (14) of this section that is, in fact, not a mortgage broker or loan  
19 originator.

20       (16) The consumer's request for a security freeze does not prohibit  
21 the consumer reporting agency from disclosing the consumer's credit  
22 report for other than credit-related purposes.

23       (17) A violation of subsection (6) of this section does not provide  
24 a cause of action under RCW 19.86.090. A violation of subsection (6)  
25 of this section is subject to all other remedies and penalties  
26 available under this chapter.

27       NEW SECTION. Sec. 2. This act takes effect July 1, 2009."

28       Correct the title.

EFFECT: Fee provisions are modified. The fee for the placement, lift, or temporary lift of a freeze is ten dollars. Language regarding a single point of service is removed. The provisions regarding persons who have changed their name are removed. Consumers who are 65 years or older may not be charged a fee for placing a freeze. The effective date is delayed from September 1, 2008, to July 1, 2009.

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