

SB0052/857771/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 52

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 4 and 5, strike “all or part of”; in line 7, after “of” insert “business”; in line 9, after “report;” insert “establishing an exception for a certain consumer reporting agency to the requirement to place a security freeze on a consumer report;”; in line 11, strike “provide” and substitute “release a consumer’s consumer report or”; in the same line, after “information” insert “contained”; in the same line, after “in” insert “, or derived from,”; strike beginning with “requiring” in line 12 down through “circumstances;” in line 14; in line 17, after “of” insert “business”; in the same line, after “consumer;” insert “requiring a consumer reporting agency to temporarily lift a security freeze within a certain number of minutes after receiving a request from a consumer after a certain date and under certain circumstances;”; in line 20, after “freeze” insert “except for certain reasonable fees for placing, temporarily lifting, or removing a security freeze”; in the same line, after “exception” insert “that prohibits the charging of fees by a consumer reporting agency to a consumer who presents a certain police report to the consumer reporting agency”; strike beginning with “authorizing” in line 22 down through “penalties;” in line 23 and substitute “providing that the exclusive remedy for a violation of a certain provision of this Act shall be to file a certain complaint with the Commissioner of Financial Regulation;”; and strike beginning with “making” in line 24 down through “change;” in line 25.

On page 2, strike lines 1 through 5, inclusive; and in line 8, strike “14-1202.1” and substitute “14-1212.1”.

AMENDMENT NO. 2

On pages 2 and 3, strike beginning with line 14 on page 2 down through line 7 on page 3 and substitute “**14-1212.1**”.

(Over)

On page 3, in line 15, strike “ALL OR ANY PART OF”; in line 16, after “INFORMATION” insert “CONTAINED IN, OR”; in the same line, after “FROM” insert a comma; in line 19, after “(B)” insert “(1)”; and in lines 21 and 26, strike “(1)” and “(2)”, respectively, and substitute “(I)” and “(II)”, respectively.

On page 4, in lines 1, 3, 6, 9, 12, 14, 17, 19, 21, and 23, strike “(3)”, “(4)”, “(5)”, “(6)”, “(I)”, “(II)”, “(III)”, “(7)”, “(8)”, and “(9)”, respectively, and substitute “(III)”, “(IV)”, “(V)”, “(VI)”, “1.”, “2.”, “3.”, “(VII)”, “(VIII)”, and “(IX)”, respectively; in line 22, strike “OR”; in line 25, after “CONSUMER” insert “; OR”

(X) TO THE EXTENT NOT PROHIBITED BY OTHER STATE LAW, A PERSON FOR THE PURPOSE OF SETTING OR ADJUSTING AN INSURANCE RATE, ADJUSTING AN INSURANCE CLAIM, OR UNDERWRITING AN INSURANCE RISK.

(2) THIS SECTION DOES NOT APPLY TO:

(I) A CHECK SERVICES OR FRAUD PREVENTION SERVICES COMPANY THAT ISSUES:

1. REPORTS ON INCIDENTS OF FRAUD; OR

2. AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS TRANSFERS, OR SIMILAR PAYMENT METHODS;

(II) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY THAT ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD, SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR SIMILAR NEGATIVE INFORMATION REGARDING A CONSUMER TO INQUIRING BANKS OR

OTHER FINANCIAL INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER REQUEST FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL INSTITUTION; OR

(III) A CONSUMER REPORTING AGENCY DATABASE OR FILE THAT CONSISTS ENTIRELY OF CONSUMER INFORMATION CONCERNING, AND USED SOLELY FOR:

1. CRIMINAL RECORD INFORMATION;
2. PERSONAL LOSS HISTORY INFORMATION;
3. FRAUD PREVENTION OR DETECTION;
4. EMPLOYMENT SCREENING; OR
5. TENANT SCREENING”;

in line 27, strike “ALL OR PART OF”; and in line 28, after “BY” insert “CERTIFIED”.

On page 5, strike beginning with “BY” in line 1 down through “(III)” in line 2; in line 4, strike “(IV)” and substitute “(III)”; in line 9, strike “A” and substitute “EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, A”; in line 10, after “5” insert “BUSINESS”; in line 12, strike “3” and substitute “5”; after line 23, insert:

“(5) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A CONSUMER REPORTING AGENCY IS NOT REQUIRED TO PLACE A SECURITY FREEZE ON A CONSUMER REPORT IF THE CONSUMER REPORTING AGENCY:

(Over)

1. ACTS ONLY AS A RESELLER OF CREDIT INFORMATION BY ASSEMBLING AND MERGING INFORMATION CONTAINED IN A DATABASE OF ANOTHER CONSUMER REPORTING AGENCY OR MULTIPLE CONSUMER REPORTING AGENCIES; AND

2. DOES NOT MAINTAIN A PERMANENT DATABASE OF CREDIT INFORMATION FROM WHICH NEW CONSUMER REPORTS ARE PRODUCED.

(II) A CONSUMER REPORTING AGENCY THAT ACTS AS A RESELLER OF CREDIT INFORMATION SHALL HONOR A SECURITY FREEZE PLACED ON A CONSUMER REPORT BY ANOTHER CONSUMER REPORTING AGENCY.”;

in line 25, strike “**PROVIDE**” and substitute “**RELEASE A CONSUMER’S CONSUMER REPORT OR**”; in the same line, after “**INFORMATION**” insert “**CONTAINED**”; and in the same line, after “**IN**” insert “**, OR DERIVED FROM,**”.

AMENDMENT NO. 3

On page 6, strike in their entirety lines 8 through 15, inclusive; in line 16, after “**TO**” insert “**TEMPORARILY LIFT A SECURITY FREEZE TO**”; in line 21, strike “**, BY**” and substitute “**OR**”; and in the same line, after “**TELEPHONE**” insert “**AS DESIGNATED BY THE CONSUMER REPORTING AGENCY**”.

On page 7, in line 8, after “**(2)**” insert “**(I)**”; in line 9, after “**SUBSECTION**” insert: “**:**”

1.”;

in the same line, after “**3**” insert “**BUSINESS**”; and in line 10, after “**REQUEST**” insert “**; OR**”

2. AFTER JANUARY 31, 2009, WITHIN 15 MINUTES AFTER THE CONSUMER'S REQUEST IS RECEIVED BY THE CONSUMER REPORTING AGENCY IF THE REQUEST IS:

A. MADE THROUGH AN ELECTRONIC CONTACT METHOD CHOSEN BY THE CONSUMER REPORTING AGENCY; AND

B. RECEIVED BY THE CONSUMER REPORTING AGENCY BETWEEN 6:00 A.M. AND 9:30 P.M. EASTERN STANDARD TIME.

(II) A CONSUMER REPORTING AGENCY IS NOT REQUIRED TO TEMPORARILY LIFT A SECURITY FREEZE WITHIN THE TIME PROVIDED IN SUBPARAGRAPH (I)2 OF THIS PARAGRAPH IF:

1. THE CONSUMER FAILS TO MEET THE REQUIREMENTS OF PARAGRAPH (1)(III) OF THIS SUBSECTION; OR

2. THE CONSUMER REPORTING AGENCY'S ABILITY TO TEMPORARILY LIFT THE SECURITY FREEZE WITHIN THE TIME PROVIDED IN SUBPARAGRAPH (I)2 OF THIS PARAGRAPH IS PREVENTED BY:

A. AN ACT OF GOD, INCLUDING FIRE, EARTHQUAKE, HURRICANE, STORM, OR SIMILAR NATURAL DISASTER OR PHENOMENON;

B. AN UNAUTHORIZED OR ILLEGAL ACT BY A THIRD PARTY, INCLUDING TERRORISM, SABOTAGE, RIOT, VANDALISM, LABOR STRIKE OR DISPUTE THAT DISRUPTS OPERATIONS, OR SIMILAR OCCURRENCE;

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C. A DISRUPTION OF OPERATIONS CAUSED BY ELECTRICAL FAILURE, UNANTICIPATED DELAY IN EQUIPMENT OR REPLACEMENT PART DELIVERY, COMPUTER HARDWARE OR SOFTWARE FAILURE INHIBITING RESPONSE TIME, OR SIMILAR DISRUPTION;

D. A GOVERNMENTAL ACTION, INCLUDING EMERGENCY ORDER OR JUDICIAL OR LAW ENFORCEMENT ACTION;

E. A REGULARLY SCHEDULED MAINTENANCE OF, OR UPDATE TO, THE CONSUMER REPORTING AGENCY'S CONSUMER REPORTING SYSTEM THAT OCCURS OTHER THAN DURING NORMAL BUSINESS HOURS; OR

F. A COMMERCIALY REASONABLE MAINTENANCE OF, OR REPAIR TO, THE CONSUMER REPORTING AGENCY'S CONSUMER REPORTING SYSTEM THAT IS UNEXPECTED OR UNSCHEDULED";

and strike beginning with "TELEPHONE" in line 12 down through "MEDIA," in line 16 and substitute "THE MEANS OF COMMUNICATION AUTHORIZED UNDER THIS SECTION".

AMENDMENT NO. 4

On page 8, in line 6, strike "(G)(2)" and substitute "(H) (2)"; strike in their entirety lines 9 and 10 and substitute:

"(2) IF A CONSUMER WANTS TO REMOVE A SECURITY FREEZE FROM THE CONSUMER'S CONSUMER REPORT, THE CONSUMER SHALL:

(I) CONTACT THE CONSUMER REPORTING AGENCY BY MAIL OR TELEPHONE AS DESIGNATED BY THE CONSUMER REPORTING AGENCY, BY ELECTRONIC MAIL IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE

AVAILABLE BY THE CONSUMER REPORTING AGENCY, OR OVER THE INTERNET IF A SECURE WEBSITE IS MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY;

(II) REQUEST THAT THE SECURITY FREEZE BE REMOVED;

AND

(III) PROVIDE THE FOLLOWING TO THE CONSUMER REPORTING AGENCY:";

in lines 11 and 12, strike "(I)" and "(II)", respectively, and substitute "1." and "2.", respectively; in line 16, after "3" insert "BUSINESS"; and strike beginning with "\$5" in line 21 down through "PASSWORD" in line 26 and substitute ":

(I) \$10 FOR EACH PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE; AND

(II) AN ADDITIONAL \$5 FOR A TEMPORARY LIFT UNDER SUBSECTION (E)(2)(I)2 OF THIS SECTION.

(3) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, A CONSUMER REPORTING AGENCY MAY NOT CHARGE A FEE TO A CONSUMER WHO, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, PRESENTS TO THE CONSUMER REPORTING AGENCY A POLICE REPORT ALLEGING THAT THE CONSUMER IS A VICTIM OF IDENTITY THEFT UNDER § 8-301 OF THE CRIMINAL LAW ARTICLE".

AMENDMENT NO. 5

On page 9, in line 2, strike "§ 14-1202.1" and substitute "§ 14-1212.1"; in line 4, strike "AT NO CHARGE TO YOU"; in lines 4, 6, 11, 16, 18, 21, and 25, in each

(Over)

instance, strike “CREDIT” and substitute “CONSUMER”; in line 5, after “RELEASING” insert “YOUR CONSUMER REPORT OR”; in line 6, after “INFORMATION” insert “CONTAINED”; in the same line, after “IN” insert “, OR DERIVED FROM,”; in line 11, after the second “BY” insert “CERTIFIED”; in line 12, strike “BY TELEPHONE,”; in line 16, after “5” insert “BUSINESS”; and in line 17, strike “3” and substitute “5”.

On page 10, in lines 2, 3, 5, and 15, in each instance, strike “CREDIT” and substitute “CONSUMER”; in line 5, after “LIFT” insert “OR REMOVE”; in the same line, after “3” insert “BUSINESS”; in line 6, after “RECEIVED.” insert “AFTER JANUARY 31, 2009, A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO TEMPORARILY LIFT A SECURITY FREEZE ON A CONSUMER REPORT WITHIN 15 MINUTES AFTER A REQUEST IS RECEIVED BY THE CONSUMER REPORTING AGENCY UNDER CERTAIN CIRCUMSTANCES SPECIFIED IN LAW.”; after line 13, insert:

“A CONSUMER REPORTING AGENCY MAY CHARGE A REASONABLE FEE NOT EXCEEDING \$10 FOR EACH PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE. A CONSUMER REPORTING AGENCY MAY CHARGE AN ADDITIONAL REASONABLE FEE NOT EXCEEDING \$5 FOR A TEMPORARY LIFT OF A SECURITY FREEZE MADE WITHIN 15 MINUTES AFTER A REQUEST IS RECEIVED. HOWEVER, A CONSUMER REPORTING AGENCY MAY NOT CHARGE A FEE TO A CONSUMER WHO, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, PRESENTS TO THE CONSUMER REPORTING AGENCY A POLICE REPORT ALLEGING THAT THE CONSUMER IS A VICTIM OF IDENTITY THEFT.”;

in line 18, strike “ACTIVITIES.” and substitute “ACTIVITIES.”; strike in their entirety lines 19 through 21, inclusive; strike beginning with “VIOLATES” in line 22 down through “CONSUMER’S” in line 23 and substitute “ERRONEOUSLY RELEASES A”; in the same line, after “REPORT” insert “SUBJECT TO A SECURITY FREEZE”; in the

same line, after “**INFORMATION**” insert “**CONTAINED**”; in the same line, after “**IN**” insert “**, OR DERIVED FROM,**”; in line 24, strike “**CONSUMER’S**”; in the same line, after “**REPORT**” insert “**SUBJECT TO A SECURITY FREEZE**”; in line 25, strike the first “**THE**” and substitute “**DISCOVERING OR BEING NOTIFIED OF THE ERRONEOUS**”; in the same line, before “**CONSUMER**” insert “**AFFECTED**”; in the same line, after “**CONSUMER**” insert “**IN WRITING**”; in line 27, strike “**SPECIFIC**” and substitute “**NATURE OF THE**”; in line 28, strike “**NAME AND ADDRESS OF**” and substitute “**CONTACT INFORMATION FOR**”; and in the same line, after the second “**THE**” insert “**CONSUMER REPORT OR THE**”.

On pages 10 and 11, strike in their entirety the lines beginning with line 30 on page 10 through line 12 on page 11, inclusive, and substitute:

“(M) THE EXCLUSIVE REMEDY FOR A VIOLATION OF § 14-1212.1(E)(2)(I)2 OF THIS SUBTITLE SHALL BE A COMPLAINT FILED WITH THE COMMISSIONER UNDER § 14-1217 OF THIS SUBTITLE.”