

# SENATE BILL 52

I3

(71r0354)

## **ENROLLED BILL**

— Finance / Economic Matters —

Introduced by **Senators Forehand, Frosh, Britt, and Della**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Consumer Protection – Consumer Reporting Agencies – Consumer Reports –**  
3 **Security Freezes**

4 FOR the purpose of authorizing a consumer to elect to place a security freeze on ~~all or~~  
5 ~~part of~~ the consumer's consumer report; establishing procedures for requesting  
6 a security freeze; requiring a consumer reporting agency to place a security  
7 freeze on a consumer's consumer report within ~~a certain number of business~~  
8 ~~days~~ time periods after ~~a request is~~ certain requests are received in certain  
9 manners and to take certain actions within a certain number of business days  
10 after placing a security freeze on a consumer's consumer report; establishing an  
11 exception for a certain consumer reporting agency to the requirement to place a

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber / conference committee amendments.*



1 security freeze on a consumer report; providing that while a security freeze is in  
 2 place, a consumer reporting agency may not provide release a consumer's  
 3 consumer report or any information contained in, or derived from, from a  
 4 consumer's consumer report without certain authorization of the consumer;  
 5 ~~requiring a consumer reporting agency to give certain notice to a consumer if~~  
 6 ~~any person requests access to a consumer's consumer report under certain~~  
 7 ~~circumstances; establishing procedures for requesting a security freeze to be~~  
 8 ~~lifted temporarily or removed; requiring a consumer reporting agency to~~  
 9 ~~temporarily lift or remove a security freeze within a certain number of business~~  
 10 ~~days *time periods* after receiving a request from a consumer; requiring a~~  
 11 ~~consumer reporting agency to temporarily lift a security freeze within a certain~~  
 12 ~~number of minutes after receiving a request from a consumer after a certain~~  
 13 ~~date and under certain circumstances; requiring authorizing a consumer~~  
 14 ~~reporting agency to develop certain procedures on or before a certain date;~~  
 15 ~~prohibiting a consumer reporting agency from charging a consumer for any~~  
 16 ~~service relating to a security freeze except for certain reasonable fees for~~  
 17 ~~placing, temporarily lifting, or removing a security freeze; providing a certain~~  
 18 ~~exception that prohibits the charging of fees by a consumer reporting agency to~~  
 19 ~~a consumer who presents a certain police report to the consumer reporting~~  
 20 ~~agency *establishing certain maximum fees for certain services relating to a*~~  
 21 ~~*security freeze; prohibiting the charging of fees by a consumer reporting agency to*~~  
 22 ~~*a consumer who presents certain documentation to the consumer reporting*~~  
 23 ~~*agency; requiring a consumer reporting agency to give certain notices to a*~~  
 24 ~~*consumer at certain times; authorizing a consumer who is affected by a*~~  
 25 ~~*violation of certain provisions of this Act to bring a certain action; establishing*~~  
 26 ~~*certain penalties; providing that the exclusive remedy for a violation of a certain*~~  
 27 ~~*provision of this Act shall be is to file a certain complaint with the*~~  
 28 ~~*Commissioner of Financial Regulation; providing for the application of this Act;*~~  
 29 ~~*defining certain terms; providing for a delayed effective date; making a*~~  
 30 ~~*conforming change; and generally relating to consumer reporting agencies and*~~  
 31 ~~*security freezes on consumer reports.*~~

32 ~~BY repealing and reenacting, with amendments,~~  
 33 ~~Article – Commercial Law~~  
 34 ~~Section 14-1202(a)~~  
 35 ~~Annotated Code of Maryland~~  
 36 ~~(2005 Replacement Volume and 2006 Supplement)~~

37 BY adding to  
 38 Article – Commercial Law  
 39 Section ~~14-1202.1~~ 14-1212.1  
 40 Annotated Code of Maryland  
 41 (2005 Replacement Volume and 2006 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Commercial Law**

4 ~~14-1202.~~

5 (a) ~~Subject to subsection (b) of this section and [§ 14-1205] §§ 14-1202.1~~  
6 ~~AND 14-1205 of this subtitle, a consumer reporting agency may furnish a consumer~~  
7 ~~report under the following circumstances and no other:~~

8 (1) ~~In response to the order of a court having jurisdiction to issue the~~  
9 ~~order;~~

10 (2) ~~In accordance with the written instructions of the consumer to~~  
11 ~~whom it relates; or~~

12 (3) ~~To a person which the agency has reason to believe:~~

13 (i) ~~Intends to use the information in connection with a credit~~  
14 ~~transaction involving the consumer on whom the information is to be furnished and~~  
15 ~~involving the extension of credit to, or review or collection of an account of, the~~  
16 ~~consumer;~~

17 (ii) ~~Intends to use the information for employment purposes;~~

18 (iii) ~~Intends to use the information in connection with the~~  
19 ~~underwriting of insurance involving the consumer;~~

20 (iv) ~~Intends to use the information in connection with a~~  
21 ~~determination of the consumer's eligibility for a license or other benefit granted by a~~  
22 ~~governmental instrumentality required by law to consider an applicant's financial~~  
23 ~~responsibility or status; or~~

24 (v) ~~Otherwise has a legitimate business need for the~~  
25 ~~information in connection with a business transaction involving the consumer.~~

26 **14-1202.1.**

27 **14-1212.1.**

1           (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
2 MEANINGS INDICATED.

3           (2) "ACCOUNT REVIEW" INCLUDES ACTIVITIES RELATED TO  
4 ACCOUNT MAINTENANCE, ACCOUNT MONITORING, CREDIT LINE INCREASES,  
5 AND ACCOUNT UPGRADES AND ENHANCEMENTS.

6           (3) "SECURITY FREEZE" MEANS A RESTRICTION PLACED ON A  
7 CONSUMER'S CONSUMER REPORT AT THE REQUEST OF THE CONSUMER THAT  
8 PROHIBITS A CONSUMER REPORTING AGENCY FROM RELEASING ~~ALL OR ANY~~  
9 ~~PART OF~~ THE CONSUMER'S CONSUMER REPORT OR ANY INFORMATION  
10 ~~CONTAINED IN, OR~~ DERIVED FROM<sub>1</sub> THE CONSUMER'S CONSUMER REPORT  
11 WITHOUT THE EXPRESS AUTHORIZATION OF THE CONSUMER.

12           (B) (1) THIS SECTION DOES NOT APPLY TO THE USE OF A  
13 CONSUMER'S CONSUMER REPORT BY:

14           ~~(1)~~ (I) A PERSON, OR A SUBSIDIARY, AFFILIATE, AGENT, OR  
15 ASSIGNEE OF THE PERSON, WITH WHICH THE CONSUMER HAS, OR PRIOR TO  
16 ASSIGNMENT HAD, AN ACCOUNT, CONTRACT, OR DEBTOR-CREDITOR  
17 RELATIONSHIP, FOR THE PURPOSE OF ACCOUNT REVIEW OR COLLECTING THE  
18 FINANCIAL OBLIGATION OWING FOR THE ACCOUNT, CONTRACT, OR DEBT;

19           ~~(2)~~ (II) A PERSON, ~~OR A SUBSIDIARY, AFFILIATE, AGENT, OR~~  
20 ~~ASSIGNEE OF THE PERSON,~~ THAT WAS GIVEN ACCESS TO THE CONSUMER'S  
21 CONSUMER REPORT UNDER SUBSECTION (E) OF THIS SECTION FOR THE  
22 PURPOSE OF FACILITATING AN EXTENSION OF CREDIT TO THE CONSUMER OR  
23 ANOTHER PERMISSIBLE USE;

24           ~~(3)~~ (III) A PERSON ACTING IN ACCORDANCE WITH A COURT  
25 ORDER, WARRANT, OR SUBPOENA;

26           ~~(4)~~ (IV) A UNIT OF STATE OR LOCAL GOVERNMENT THAT  
27 ADMINISTERS A PROGRAM FOR ESTABLISHING AND ENFORCING CHILD  
28 SUPPORT OBLIGATIONS;

29           ~~(5)~~ (V) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE  
30 IN CONNECTION WITH A FRAUD INVESTIGATION CONDUCTED BY THE  
31 DEPARTMENT;

1           ~~(6)~~ (VI) THE STATE DEPARTMENT OF ASSESSMENTS AND  
2 TAXATION, THE COMPTROLLER, OR ANY OTHER STATE OR LOCAL TAXING  
3 AUTHORITY IN CONNECTION WITH:

4           ~~(I)~~ 1. AN INVESTIGATION CONDUCTED BY THE  
5 DEPARTMENT, COMPTROLLER, OR TAXING AUTHORITY;

6           ~~(II)~~ 2. THE COLLECTION OF DELINQUENT TAXES OR  
7 UNPAID COURT ORDERS BY THE DEPARTMENT, COMPTROLLER, OR TAXING  
8 AUTHORITY; OR

9           ~~(III)~~ 3. THE PERFORMANCE OF ANY OTHER DUTY  
10 PROVIDED FOR BY LAW;

11           ~~(7)~~ (VII) A PERSON FOR THE PURPOSE OF PRESCREENING, AS  
12 DEFINED BY THE FEDERAL FAIR CREDIT REPORTING ACT;

13           ~~(8)~~ (VIII) A PERSON ADMINISTERING A CREDIT FILE MONITORING  
14 SUBSCRIPTION SERVICE TO WHICH THE CONSUMER HAS SUBSCRIBED; ~~OR~~

15           ~~(9)~~ (IX) A PERSON ~~FOR THE PURPOSE OF~~ PROVIDING A  
16 CONSUMER WITH A COPY OF THE CONSUMER'S CONSUMER REPORT ON REQUEST  
17 OF THE CONSUMER; OR

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

22           (2) THIS SECTION DOES NOT APPLY TO:

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

25                   1. REPORTS ON INCIDENTS OF FRAUD; OR

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

1                    (II) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY  
 2 THAT ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,  
 3 SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR SIMILAR  
 4 NEGATIVE INFORMATION REGARDING A CONSUMER TO INQUIRING BANKS OR  
 5 OTHER FINANCIAL INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER  
 6 REQUEST FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL  
 7 INSTITUTION; OR

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

- 11                    1. CRIMINAL RECORD INFORMATION;
- 12                    2. PERSONAL LOSS HISTORY INFORMATION;
- 13                    3. FRAUD PREVENTION OR DETECTION;
- 14                    4. EMPLOYMENT SCREENING; OR
- 15                    5. TENANT SCREENING.

16                    (c) (1) A CONSUMER MAY ELECT TO PLACE A SECURITY FREEZE ON  
 17 ~~ALL OR PART OF~~ THE CONSUMER'S CONSUMER REPORT BY:

18                    (i) ~~BY WRITTEN~~ WRITTEN REQUEST SENT BY CERTIFIED  
 19 MAIL;

20                    (ii) BEGINNING JANUARY 1, 2010, SUBJECT TO PARAGRAPH  
 21 (6) OF THIS SUBSECTION, TELEPHONE, BY PROVIDING CERTAIN PERSONAL  
 22 INFORMATION THAT THE CONSUMER REPORTING AGENCY MAY REQUIRE TO  
 23 VERIFY THE IDENTITY OF THE CONSUMER; ~~BY TELEPHONE;~~

24                    ~~(iii)~~ (iii) ~~BY ELECTRONIC~~ ELECTRONIC MAIL USING AN  
 25 ELECTRONIC POSTMARK IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE  
 26 AVAILABLE BY THE CONSUMER REPORTING AGENCY; OR

27                    ~~(iv)~~ ~~(iii)~~ (iv) ~~OVER THE INTERNET IF A SECURE WEBSITE IS~~  
 28 ~~MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY~~ IF THE CONSUMER

1 REPORTING AGENCY MAKES A SECURE CONNECTION AVAILABLE ON ITS  
2 WEBSITE, AN ELECTRONIC REQUEST THROUGH THAT SECURE CONNECTION.

3 (2) A CONSUMER REPORTING AGENCY SHALL REQUIRE A  
4 CONSUMER TO PROVIDE PROPER IDENTIFYING INFORMATION WHEN  
5 REQUESTING A SECURITY FREEZE.

6 (3) ~~A~~ EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS  
7 SUBSECTION, A CONSUMER REPORTING AGENCY SHALL PLACE A SECURITY  
8 FREEZE ON A CONSUMER'S CONSUMER REPORT:

9 (I) BEFORE JULY 1, 2008, WITHIN 5 BUSINESS DAYS AFTER  
10 RECEIVING A REQUEST FROM A CONSUMER UNDER PARAGRAPH (1) OF THIS  
11 SUBSECTION; OR

12 (II) ON OR AFTER JULY 1, 2008, WITHIN 3 BUSINESS DAYS  
13 AFTER RECEIVING A REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION.

14 (4) WITHIN ~~3~~ 5 BUSINESS DAYS AFTER PLACING A SECURITY  
15 FREEZE ON A CONSUMER'S CONSUMER REPORT, THE CONSUMER REPORTING  
16 AGENCY SHALL:

17 (I) SEND A WRITTEN CONFIRMATION OF THE SECURITY  
18 FREEZE TO THE CONSUMER;

19 (II) PROVIDE THE CONSUMER WITH A UNIQUE PERSONAL  
20 IDENTIFICATION NUMBER OR PASSWORD TO BE USED BY THE CONSUMER WHEN  
21 AUTHORIZING THE RELEASE OF THE CONSUMER'S CONSUMER REPORT TO A  
22 SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF TIME; AND

23 (III) PROVIDE THE CONSUMER WITH A WRITTEN STATEMENT  
24 OF THE PROCEDURES FOR REQUESTING THE CONSUMER REPORTING AGENCY  
25 TO REMOVE OR TEMPORARILY LIFT A SECURITY FREEZE.

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

29 1. ACTS ONLY AS A RESELLER OF CREDIT  
30 INFORMATION BY ASSEMBLING AND MERGING INFORMATION CONTAINED IN A

1 DATABASE OF ANOTHER CONSUMER REPORTING AGENCY OR MULTIPLE  
2 CONSUMER REPORTING AGENCIES; AND

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

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

9 (6) (I) IF A CONSUMER REQUESTS PLACEMENT OF A SECURITY  
10 FREEZE BY TELEPHONE UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE  
11 CONSUMER REPORTING AGENCY MAY REQUIRE THE CONSUMER TO CONFIRM  
12 THE REQUEST IN WRITING ON A FORM THAT THE CONSUMER REPORTING  
13 AGENCY PROVIDES TO THE CONSUMER WITH THE MATERIALS SENT IN  
14 ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION.

15 (II) IF THE CONSUMER FAILS TO RETURN WRITTEN  
16 CONFIRMATION THAT THE CONSUMER REPORTING AGENCY REQUIRES UNDER  
17 SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE CONSUMER REPORTING AGENCY  
18 MAY REMOVE THE SECURITY FREEZE IN ACCORDANCE WITH SUBSECTION (G)(2)  
19 OF THIS SECTION.

20 (D) (1) WHILE A SECURITY FREEZE IS IN PLACE, A CONSUMER  
21 REPORTING AGENCY MAY NOT ~~PROVIDE~~ RELEASE A CONSUMER'S CONSUMER  
22 REPORT OR ANY INFORMATION ~~CONTAINED IN, OR DERIVED FROM,~~ FROM A  
23 CONSUMER'S CONSUMER REPORT WITHOUT THE EXPRESS PRIOR  
24 AUTHORIZATION OF THE CONSUMER.

25 (2) A CONSUMER REPORTING AGENCY MAY ADVISE A PERSON  
26 THAT A SECURITY FREEZE IS IN EFFECT WITH RESPECT TO A CONSUMER'S  
27 CONSUMER REPORT.

28 (3) A CONSUMER REPORTING AGENCY MAY NOT STATE OR IMPLY  
29 TO ANY PERSON THAT A SECURITY FREEZE ON A CONSUMER'S CONSUMER  
30 REPORT REFLECTS A NEGATIVE CREDIT SCORE, CREDIT HISTORY, OR CREDIT  
31 RATING.



1                   **2. THE UNIQUE PERSONAL IDENTIFICATION**  
 2 **NUMBER OR PASSWORD PROVIDED ~~BY TO~~ THE CONSUMER REPORTING AGENCY**  
 3 **UNDER SUBSECTION (C)(4)(II) OF THIS SECTION; AND**

4                   **3. THE PROPER INFORMATION REGARDING THE**  
 5 **PERSON THAT IS TO RECEIVE THE CONSUMER REPORT OR THE TIME PERIOD**  
 6 **DURING WHICH THE CONSUMER REPORT IS TO BE AVAILABLE TO USERS OF THE**  
 7 **CONSUMER REPORT.**

8                   **(2) (I) ~~A~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**  
 9 **THIS PARAGRAPH, A CONSUMER REPORTING AGENCY SHALL COMPLY WITH A**  
 10 **REQUEST MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION;**

11                   **1. WITHIN 3 BUSINESS DAYS AFTER RECEIVING THE**  
 12 **REQUEST;**~~OR .~~

13                   **2. (II) 1. AFTER JANUARY 31, 2009, A CONSUMER**  
 14 **REPORTING AGENCY SHALL COMPLY WITH A REQUEST MADE UNDER PARAGRAPH**  
 15 **(1) OF THIS SUBSECTION WITHIN 15 MINUTES AFTER THE CONSUMER'S**  
 16 **REQUEST IS RECEIVED BY THE CONSUMER REPORTING AGENCY IF THE**  
 17 **REQUEST IS:**

18                   **A. MADE THROUGH AN ELECTRONIC CONTACT**  
 19 **METHOD CHOSEN BY THE CONSUMER REPORTING AGENCY; AND MADE BY**  
 20 **TELEPHONE, BY ELECTRONIC MAIL, OR BY SECURE CONNECTION ON THE**  
 21 **WEBSITE OF THE CONSUMER REPORTING AGENCY.**

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

24                   **(II) A CONSUMER REPORTING AGENCY IS NOT REQUIRED TO**  
 25 **TEMPORARILY LIFT A SECURITY FREEZE WITHIN THE TIME PROVIDED IN**  
 26 **SUBPARAGRAPH (1)2 OF THIS PARAGRAPH IF:**

27                   **1. THE CONSUMER FAILS TO MEET THE**  
 28 **REQUIREMENTS OF PARAGRAPH (1)(II) OF THIS SUBSECTION; OR**

1                   ~~2. THE CONSUMER REPORTING AGENCY'S ABILITY~~  
 2 ~~TO TEMPORARILY LIFT THE SECURITY FREEZE WITHIN THE TIME PROVIDED IN~~  
 3 ~~SUBPARAGRAPH (1)2 OF THIS PARAGRAPH IS PREVENTED BY:~~

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

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

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

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

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

18                   ~~F. A COMMERCIALLY REASONABLE MAINTENANCE~~  
 19 ~~OF, OR REPAIR TO, THE CONSUMER REPORTING AGENCY'S CONSUMER~~  
 20 ~~REPORTING SYSTEM THAT IS UNEXPECTED OR UNSCHEDULED.~~

21                   2. A CONSUMER REPORTING AGENCY THAT IS  
 22 UNABLE TO TEMPORARILY LIFT A SECURITY FREEZE UNDER SUBSUBPARAGRAPH  
 23 1 OF THIS SUBPARAGRAPH SHALL LIFT THE SECURITY FREEZE AS SOON AS IT IS  
 24 REASONABLY CAPABLE OF DOING SO.

25                   ~~(F) (3) ON OR BEFORE OCTOBER 1, 2009, A A CONSUMER~~  
 26 ~~REPORTING AGENCY SHALL MAY DEVELOP PROCEDURES INVOLVING THE USE~~  
 27 ~~OF TELEPHONE OR FACSIMILE, OR, ON CONSENT OF THE CONSUMER IN THE~~  
 28 ~~MANNER REQUIRED BY THE FEDERAL ELECTRONIC SIGNATURES IN GLOBAL~~  
 29 ~~AND NATIONAL COMMERCE ACT FOR LEGALLY REQUIRED NOTICES, THE~~  
 30 ~~INTERNET, ELECTRONIC MAIL, OR OTHER ELECTRONIC MEDIA, THE MEANS OF~~  
 31 ~~COMMUNICATION AUTHORIZED UNDER THIS SECTION TO RECEIVE AND~~  
 32 ~~FACSIMILE OR OTHER ELECTRONIC MEDIA TO RECEIVE AND PROCESS, IN AN~~

1 EXPEDITED MANNER, A REQUEST FROM A CONSUMER TO PLACE, ~~TEMPORARILY~~  
 2 ~~LIFT~~, TEMPORARILY LIFT OR REMOVE A SECURITY FREEZE ON THE CONSUMER'S  
 3 CONSUMER REPORT.

4 ~~(G)~~ (F) IF, IN CONNECTION WITH AN APPLICATION FOR CREDIT OR FOR  
 5 ANY OTHER USE, A PERSON REQUESTS ACCESS TO A CONSUMER'S CONSUMER  
 6 REPORT WHILE A SECURITY FREEZE IS IN PLACE AND THE CONSUMER DOES NOT  
 7 AUTHORIZE ACCESS TO THE CONSUMER'S CONSUMER REPORT, THE PERSON  
 8 MAY TREAT THE APPLICATION AS INCOMPLETE.

9 ~~(H)~~ (G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
 10 SUBSECTION, A CONSUMER REPORTING AGENCY MAY REMOVE OR  
 11 TEMPORARILY LIFT A SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER  
 12 REPORT ONLY ON REQUEST OF THE CONSUMER MADE UNDER SUBSECTION (E)  
 13 OR ~~(H)~~ (H) OF THIS SECTION.

14 (2) (I) A CONSUMER REPORTING AGENCY MAY REMOVE A  
 15 SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER REPORT IF:

16 1. ~~PLACEMENT~~ PLACEMENT OF THE SECURITY FREEZE  
 17 WAS BASED ON A MATERIAL MISREPRESENTATION OF FACT BY THE CONSUMER;  
 18 OR

19 2. THE CONSUMER:

20 A. MADE THE REQUEST TO PLACE THE SECURITY  
 21 FREEZE BY TELEPHONE UNDER SUBSECTION (C)(1)(II) OF THIS SECTION; AND

22 B. FAILED TO CONFIRM THE REQUEST IN WRITING IF  
 23 REQUIRED IN ACCORDANCE WITH SUBSECTION (C)(6) OF THIS SECTION.

24 (II) IF A CONSUMER REPORTING AGENCY INTENDS TO  
 25 REMOVE A SECURITY FREEZE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH,  
 26 THE CONSUMER REPORTING AGENCY SHALL NOTIFY THE CONSUMER IN  
 27 WRITING OF ITS INTENT AT LEAST 5 BUSINESS DAYS BEFORE REMOVING THE  
 28 SECURITY FREEZE.

29 ~~(H)~~ (H) (1) SUBJECT TO SUBSECTION ~~(G)(2)~~ ~~(H)(2)~~ (G)(2) OF THIS  
 30 SECTION, A SECURITY FREEZE SHALL REMAIN IN PLACE UNTIL THE CONSUMER  
 31 REQUESTS THAT THE SECURITY FREEZE BE REMOVED.

1           ~~(2) A CONSUMER REQUESTING THAT A SECURITY FREEZE BE~~  
2 ~~REMOVED SHALL PROVIDE:~~

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

5           (I) CONTACT THE CONSUMER REPORTING AGENCY BY  
6 MAIL:

7                   1. MAIL IN THE MANNER PRESCRIBED BY THE  
8 CONSUMER REPORTING AGENCY; ~~OR TELEPHONE AS DESIGNATED BY THE~~  
9 CONSUMER REPORTING AGENCY, BY

10                   2. TELEPHONE IN THE MANNER PRESCRIBED BY THE  
11 CONSUMER REPORTING AGENCY; ~~ELECTRONIC MAIL~~

12                   3. ELECTRONIC MAIL USING AN ELECTRONIC  
13 POSTMARK IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE  
14 TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY, ~~OR OVER THE~~  
15 INTERNET IF A SECURE WEBSITE IS MADE AVAILABLE BY; OR

16                   4. ELECTRONIC REQUEST IF A SECURE CONNECTION  
17 IS MADE AVAILABLE ON THE WEBSITE OF THE CONSUMER REPORTING AGENCY;

18           (II) REQUEST THAT THE SECURITY FREEZE BE REMOVED;  
19 AND

20           (III) PROVIDE THE FOLLOWING TO THE CONSUMER  
21 REPORTING AGENCY:

22                   ~~(I)~~ 1. PROPER IDENTIFYING INFORMATION; AND

23                   ~~(II)~~ 2. THE UNIQUE PERSONAL IDENTIFICATION  
24 NUMBER OR PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY  
25 UNDER SUBSECTION (C)(4)(II) OF THIS SECTION.

26           (3) A CONSUMER REPORTING AGENCY SHALL REMOVE A  
27 SECURITY FREEZE WITHIN 3 BUSINESS DAYS AFTER RECEIVING A REQUEST FOR  
28 REMOVAL.

1       ~~(J)~~ (I) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
 2 SUBSECTION, A CONSUMER MAY NOT BE CHARGED FOR ANY SERVICE RELATING  
 3 TO A SECURITY FREEZE.

4               (2) A CONSUMER REPORTING AGENCY MAY CHARGE A  
 5 REASONABLE FEE, NOT EXCEEDING \$5, ~~IF A CONSUMER FAILS TO RETAIN THE~~  
 6 ~~ORIGINAL UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD~~  
 7 ~~PROVIDED TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY UNDER~~  
 8 ~~SUBSECTION (C)(4)(H) OF THIS SECTION, AND THE CONSUMER REPORTING~~  
 9 ~~AGENCY MUST REISSUE THE SAME OR A NEW UNIQUE PERSONAL~~  
 10 ~~IDENTIFICATION NUMBER OR PASSWORD;~~

11               ~~(I)~~ (I) \$10 \$5, FOR EACH PLACEMENT, TEMPORARY LIFT, OR  
 12 REMOVAL OF A SECURITY FREEZE; AND

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

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

22               (I) HAS OBTAINED A REPORT OF ALLEGED IDENTITY FRAUD  
 23 AGAINST THE CONSUMER UNDER § 8-304 OF THE CRIMINAL LAW ARTICLE OR  
 24 AN IDENTITY THEFT PASSPORT UNDER § 8-305 OF THE CRIMINAL LAW ARTICLE;  
 25 AND

26               (II) PROVIDES A COPY OF THE REPORT OR PASSPORT TO  
 27 THE CONSUMER REPORTING AGENCY.

28       ~~(K)~~ (J) AT ANY TIME THAT A CONSUMER IS ENTITLED TO RECEIVE A  
 29 SUMMARY OF RIGHTS UNDER § 609 OF THE FEDERAL FAIR CREDIT REPORTING  
 30 ACT OR § 14-1206 OF THIS SUBTITLE, THE FOLLOWING NOTICE SHALL BE  
 31 INCLUDED:

1 "NOTICE

2 YOU HAVE A RIGHT, UNDER ~~§ 14-1202.1~~ § 14-1212.1 OF THE  
3 COMMERCIAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND, TO  
4 PLACE A SECURITY FREEZE ON YOUR ~~CREDIT CONSUMER~~ CREDIT REPORT ~~AT NO~~  
5 ~~CHARGE TO YOU~~. THE SECURITY FREEZE WILL PROHIBIT A CONSUMER  
6 REPORTING AGENCY FROM RELEASING YOUR ~~CONSUMER~~ CREDIT REPORT OR  
7 ANY INFORMATION ~~CONTAINED IN, OR DERIVED FROM,~~ DERIVED FROM YOUR  
8 ~~CREDIT CONSUMER~~ CREDIT REPORT WITHOUT YOUR EXPRESS AUTHORIZATION.  
9 THE PURPOSE OF A SECURITY FREEZE IS TO PREVENT CREDIT, LOANS, AND  
10 SERVICES FROM BEING APPROVED IN YOUR NAME WITHOUT YOUR CONSENT.

11 YOU MAY ELECT TO HAVE A CONSUMER REPORTING AGENCY PLACE A  
12 SECURITY FREEZE ON YOUR ~~CREDIT CONSUMER~~ CREDIT REPORT BY WRITTEN  
13 REQUEST SENT BY CERTIFIED MAIL, ~~OR BY TELEPHONE~~, BY ELECTRONIC MAIL  
14 ~~OR THE INTERNET~~ IF THE CONSUMER REPORTING AGENCY ~~HAS~~ PROVIDES A  
15 SECURE ELECTRONIC ~~MAIL CONNECTION, OR OVER THE INTERNET IF THE~~  
16 ~~CONSUMER REPORTING AGENCY HAS A SECURE WEBSITE~~ CONNECTION. THE  
17 CONSUMER REPORTING AGENCY MUST PLACE A SECURITY FREEZE ON YOUR  
18 ~~CREDIT CONSUMER~~ CREDIT REPORT WITHIN 5 BUSINESS DAYS AFTER YOUR  
19 REQUEST IS RECEIVED, OR WITHIN 3 BUSINESS DAYS STARTING JULY 1, 2008.  
20 ~~WITHIN 3~~ 5 BUSINESS DAYS AFTER A SECURITY FREEZE IS PLACED ON YOUR  
21 ~~CREDIT CONSUMER~~ CREDIT REPORT, YOU WILL BE PROVIDED WITH A UNIQUE  
22 PERSONAL IDENTIFICATION NUMBER OR PASSWORD TO USE IF YOU WANT TO  
23 REMOVE THE SECURITY FREEZE OR TEMPORARILY LIFT THE SECURITY FREEZE  
24 TO RELEASE YOUR ~~CREDIT CONSUMER~~ CREDIT REPORT TO A SPECIFIC PERSON  
25 OR FOR A SPECIFIC PERIOD OF TIME. YOU ALSO WILL RECEIVE INFORMATION  
26 ON THE PROCEDURES FOR REMOVING OR TEMPORARILY LIFTING A SECURITY  
27 FREEZE.

28 IF YOU WANT TO TEMPORARILY LIFT THE SECURITY FREEZE ON YOUR  
29 ~~CREDIT CONSUMER~~ CREDIT REPORT, YOU MUST CONTACT THE CONSUMER  
30 REPORTING AGENCY AND PROVIDE ALL OF THE FOLLOWING:

31 (1) ~~THE~~ THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR  
32 PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY;

33 (2) THE PROPER IDENTIFYING INFORMATION TO VERIFY YOUR  
34 IDENTITY; AND

1           (3) ~~THE~~ THE PROPER INFORMATION REGARDING THE PERSON  
2 WHO IS TO RECEIVE THE ~~CREDIT CONSUMER CREDIT~~ REPORT OR THE PERIOD  
3 OF TIME FOR WHICH THE ~~CREDIT CONSUMER CREDIT~~ REPORT IS TO BE  
4 AVAILABLE TO USERS OF THE ~~CREDIT CONSUMER CREDIT~~ REPORT.

5           A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO  
6 TEMPORARILY LIFT ~~OR REMOVE~~ A SECURITY FREEZE ON A ~~CREDIT CONSUMER~~  
7 CREDIT REPORT WITHIN 3 BUSINESS DAYS AFTER THE REQUEST IS RECEIVED,  
8 OR WITHIN 15 MINUTES STARTING JANUARY 31, 2009, FOR CERTAIN REQUESTS.  
9 ~~AFTER JANUARY 31, 2009, A CONSUMER REPORTING AGENCY MUST COMPLY~~  
10 ~~WITH A REQUEST TO TEMPORARILY LIFT A SECURITY FREEZE ON A CONSUMER~~  
11 ~~REPORT WITHIN 15 MINUTES AFTER A REQUEST IS RECEIVED BY THE~~  
12 ~~CONSUMER REPORTING AGENCY UNDER CERTAIN CIRCUMSTANCES SPECIFIED~~  
13 ~~IN LAW A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO~~  
14 ~~REMOVE A SECURITY FREEZE ON A CREDIT REPORT WITHIN 3 BUSINESS DAYS~~  
15 ~~AFTER THE REQUEST IS RECEIVED.~~

16           IF YOU ARE ACTIVELY SEEKING CREDIT, YOU SHOULD BE AWARE THAT  
17 THE PROCEDURES INVOLVED IN LIFTING A SECURITY FREEZE MAY SLOW YOUR  
18 OWN APPLICATIONS FOR CREDIT. YOU SHOULD PLAN AHEAD AND LIFT A  
19 SECURITY FREEZE, EITHER COMPLETELY IF YOU ARE SEEKING CREDIT FROM A  
20 NUMBER OF SOURCES, OR JUST FOR A SPECIFIC CREDITOR IF YOU ARE  
21 APPLYING ONLY TO THAT CREDITOR, A FEW DAYS BEFORE ACTUALLY APPLYING  
22 FOR NEW CREDIT.

23           A CONSUMER REPORTING AGENCY MAY CHARGE A REASONABLE FEE NOT  
24 EXCEEDING \$10 \$5 FOR EACH PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF  
25 A SECURITY FREEZE. A CONSUMER REPORTING AGENCY MAY CHARGE AN  
26 ADDITIONAL REASONABLE FEE NOT EXCEEDING \$5 FOR A TEMPORARY LIFT OF  
27 A SECURITY FREEZE MADE WITHIN 15 MINUTES AFTER A REQUEST IS RECEIVED.  
28 HOWEVER, A CONSUMER REPORTING AGENCY MAY NOT CHARGE A ANY FEE TO A  
29 CONSUMER WHO, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT,  
30 OR REMOVE A SECURITY FREEZE, PRESENTS TO THE CONSUMER REPORTING  
31 AGENCY A POLICE REPORT ALLEGING THAT THE CONSUMER IS A VICTIM OF  
32 IDENTITY THEFT OF ALLEGED IDENTITY FRAUD AGAINST THE CONSUMER OR AN  
33 IDENTITY THEFT PASSPORT.

34           A SECURITY FREEZE DOES NOT APPLY IF YOU HAVE AN EXISTING  
35 ACCOUNT RELATIONSHIP AND A COPY OF YOUR ~~CREDIT CONSUMER CREDIT~~  
36 REPORT IS REQUESTED BY YOUR EXISTING CREDITOR OR ITS AGENTS OR

1 AFFILIATES FOR CERTAIN TYPES OF ACCOUNT REVIEW, COLLECTION, FRAUD  
2 CONTROL, OR SIMILAR ~~ACTIVITIES.~~ ACTIVITIES.”

3 ~~YOU HAVE A RIGHT TO BRING A CIVIL ACTION AGAINST ANY CONSUMER~~  
4 ~~REPORTING AGENCY OR USER OF YOUR CREDIT REPORT WHO VIOLATES YOUR~~  
5 ~~RIGHTS UNDER MARYLAND’S CREDIT REPORTING LAWS.”~~

6 ~~(L)~~ (K) IF A CONSUMER REPORTING AGENCY ~~VIOLATES A SECURITY~~  
7 ~~FREEZE BY RELEASING A CONSUMER’S ERRONEOUSLY RELEASES A~~ VIOLATES A  
8 SECURITY FREEZE BY RELEASING A CONSUMER’S CONSUMER REPORT SUBJECT  
9 TO A SECURITY FREEZE OR ANY INFORMATION CONTAINED IN, OR DERIVED  
10 FROM, A A CONSUMER’S CONSUMER’S CONSUMER REPORT SUBJECT TO A  
11 SECURITY FREEZE WITHOUT AUTHORIZATION, THE CONSUMER REPORTING  
12 AGENCY, WITHIN 5 BUSINESS DAYS AFTER ~~THE~~ DISCOVERING OR BEING  
13 NOTIFIED OF THE ERRONEOUS RELEASE, SHALL NOTIFY THE AFFECTED  
14 CONSUMER IN WRITING OF:

15 (1) THE SPECIFIC NATURE OF THE SPECIFIC INFORMATION  
16 RELEASED; AND

17 (2) THE NAME AND ADDRESS OF, OR OTHER AVAILABLE NAME  
18 AND ADDRESS OF CONTACT INFORMATION FOR, THE RECIPIENT OF THE  
19 CONSUMER REPORT OR THE INFORMATION RELEASED.

20 ~~(M) (1) IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE~~  
21 ~~AVAILABLE UNDER THIS SUBTITLE, A CONSUMER WHO IS AFFECTED BY A~~  
22 ~~VIOLATION OF THIS SECTION MAY BRING AN ACTION AGAINST THE PERSON~~  
23 ~~THAT COMMITTED THE VIOLATION.~~

24 ~~(2) IN AN ACTION BROUGHT UNDER PARAGRAPH (1) OF THIS~~  
25 ~~SUBSECTION, A CONSUMER MAY RECOVER:~~

26 ~~(i) DAMAGES IN THE AMOUNT OF THE GREATER OF:~~

27 ~~1. \$500 FOR EACH VIOLATION; OR~~

28 ~~2. ACTUAL DAMAGES SUSTAINED AS A RESULT OF~~  
29 ~~THE VIOLATION; AND~~

30 ~~(ii) REASONABLE ATTORNEY’S FEES.~~

1            ~~(3) FOR PURPOSES OF IMPOSING PENALTIES UNDER PARAGRAPH~~  
 2 ~~(2) OF THIS SUBSECTION, EACH INSTANCE OF A VIOLATION OF THIS SECTION IS~~  
 3 ~~A SEPARATE VIOLATION.~~

4            ~~(M) (L) THE EXCLUSIVE REMEDY FOR A VIOLATION OF §~~  
 5 ~~14-1212.1(E)(2)(I)2 OF THIS SUBTITLE SUBSECTION (E)(2)(II) OF THIS SECTION~~  
 6 ~~SHALL BE A COMPLAINT FILED WITH THE COMMISSIONER UNDER § 14-1217 OF~~  
 7 ~~THIS SUBTITLE.~~

8            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 9 ~~October 1, 2007~~ January 1, 2008.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.