

# SENATE BILL 52

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SB 487/06 – FIN

71r0354

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By: **Senators Forehand, Frosh, Britt, and Della**  
Introduced and read first time: January 18, 2007  
Assigned to: Finance

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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: February 22, 2007

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## 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 after a request is received and to take certain actions within a certain  
9 number of business days after placing a security freeze on a consumer's  
10 consumer report; establishing an exception for a certain consumer reporting  
11 agency to the requirement to place a security freeze on a consumer report;  
12 providing that while a security freeze is in place, a consumer reporting agency  
13 may not ~~provide release a consumer's consumer report or~~ any information  
14 contained in, or derived from, a consumer's consumer report without certain  
15 authorization of the consumer; ~~requiring a consumer reporting agency to give~~  
16 ~~certain notice to a consumer if any person requests access to a consumer's~~  
17 ~~consumer report under certain circumstances;~~ establishing procedures for  
18 requesting a security freeze to be lifted temporarily or removed; requiring a  
19 consumer reporting agency to temporarily lift or remove a security freeze within  
20 a certain number of business days after receiving a request from a consumer;  
21 requiring a consumer reporting agency to temporarily lift a security freeze

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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.



1 within a certain number of minutes after receiving a request from a consumer  
 2 after a certain date and under certain circumstances; requiring a consumer  
 3 reporting agency to develop certain procedures on or before a certain date;  
 4 prohibiting a consumer reporting agency from charging a consumer for any  
 5 service relating to a security freeze except for certain reasonable fees for  
 6 placing, temporarily lifting, or removing a security freeze; providing a certain  
 7 exception that prohibits the charging of fees by a consumer reporting agency to  
 8 a consumer who presents a certain police report to the consumer reporting  
 9 agency; requiring a consumer reporting agency to give certain notices to a  
 10 consumer at certain times; ~~authorizing a consumer who is affected by a~~  
 11 ~~violation of certain provisions of this Act to bring a certain action; establishing~~  
 12 ~~certain penalties; providing that the exclusive remedy for a violation of a certain~~  
 13 ~~provision of this Act shall be to file a certain complaint with the Commissioner~~  
 14 ~~of Financial Regulation; providing for the application of this Act; defining~~  
 15 ~~certain terms; making a conforming change; and generally relating to consumer~~  
 16 ~~reporting agencies and security freezes on consumer reports.~~

17 ~~BY repealing and reenacting, with amendments,~~  
 18 ~~Article – Commercial Law~~  
 19 ~~Section 14-1202(a)~~  
 20 ~~Annotated Code of Maryland~~  
 21 ~~(2005 Replacement Volume and 2006 Supplement)~~

22 BY adding to  
 23 Article – Commercial Law  
 24 Section ~~14-1202.1~~ 14-1212.1  
 25 Annotated Code of Maryland  
 26 (2005 Replacement Volume and 2006 Supplement)

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

29 **Article – Commercial Law**

30 ~~14-1202.~~

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

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

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

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

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

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

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

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

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

17 ~~14-1202.1.~~

18 ~~14-1212.1.~~

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

21 (2) "ACCOUNT REVIEW" INCLUDES ACTIVITIES RELATED TO  
 22 ACCOUNT MAINTENANCE, ACCOUNT MONITORING, CREDIT LINE INCREASES,  
 23 AND ACCOUNT UPGRADES AND ENHANCEMENTS.

24 (3) "SECURITY FREEZE" MEANS A RESTRICTION PLACED ON A  
 25 CONSUMER REPORT AT THE REQUEST OF THE CONSUMER THAT PROHIBITS A  
 26 CONSUMER REPORTING AGENCY FROM RELEASING ALL OR ANY PART OF THE  
 27 CONSUMER'S CONSUMER REPORT OR ANY INFORMATION CONTAINED IN, OR  
 28 DERIVED FROM, THE CONSUMER'S CONSUMER REPORT WITHOUT THE EXPRESS  
 29 AUTHORIZATION OF THE CONSUMER.

1           **(B) ~~(1)~~ THIS SECTION DOES NOT APPLY TO THE USE OF A CONSUMER**  
2 **REPORT BY:**

3           ~~(1)~~ **(I) A PERSON, OR A SUBSIDIARY, AFFILIATE, AGENT, OR**  
4 **ASSIGNEE OF THE PERSON, WITH WHICH THE CONSUMER HAS, OR PRIOR TO**  
5 **ASSIGNMENT HAD, AN ACCOUNT, CONTRACT, OR DEBTOR-CREDITOR**  
6 **RELATIONSHIP, FOR THE PURPOSE OF ACCOUNT REVIEW OR COLLECTING THE**  
7 **FINANCIAL OBLIGATION OWING FOR THE ACCOUNT, CONTRACT, OR DEBT;**

8           ~~(2)~~ **(II) A PERSON, OR A SUBSIDIARY, AFFILIATE, AGENT, OR**  
9 **ASSIGNEE OF THE PERSON, THAT WAS GIVEN ACCESS TO THE CONSUMER**  
10 **REPORT UNDER SUBSECTION (E) OF THIS SECTION FOR THE PURPOSE OF**  
11 **FACILITATING AN EXTENSION OF CREDIT TO THE CONSUMER OR ANOTHER**  
12 **PERMISSIBLE USE;**

13           ~~(3)~~ **(III) A PERSON ACTING IN ACCORDANCE WITH A COURT**  
14 **ORDER, WARRANT, OR SUBPOENA;**

15           ~~(4)~~ **(IV) A UNIT OF STATE OR LOCAL GOVERNMENT THAT**  
16 **ADMINISTERS A PROGRAM FOR ESTABLISHING AND ENFORCING CHILD**  
17 **SUPPORT OBLIGATIONS;**

18           ~~(5)~~ **(V) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE**  
19 **IN CONNECTION WITH A FRAUD INVESTIGATION CONDUCTED BY THE**  
20 **DEPARTMENT;**

21           ~~(6)~~ **(VI) THE STATE DEPARTMENT OF ASSESSMENTS AND**  
22 **TAXATION, THE COMPTROLLER, OR ANY OTHER STATE OR LOCAL TAXING**  
23 **AUTHORITY IN CONNECTION WITH:**

24                   ~~(I)~~ **1. AN INVESTIGATION CONDUCTED BY THE**  
25 **DEPARTMENT, COMPTROLLER, OR TAXING AUTHORITY;**

26                   ~~(II)~~ **2. THE COLLECTION OF DELINQUENT TAXES OR**  
27 **UNPAID COURT ORDERS BY THE DEPARTMENT, COMPTROLLER, OR TAXING**  
28 **AUTHORITY; OR**

29                   ~~(III)~~ **3. THE PERFORMANCE OF ANY OTHER DUTY**  
30 **PROVIDED FOR BY LAW;**

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

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

5           ~~(9)~~ (IX) A PERSON FOR THE PURPOSE OF PROVIDING A  
6 CONSUMER WITH A COPY OF THE CONSUMER'S CONSUMER REPORT ON REQUEST  
7 OF THE CONSUMER; OR

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

12           **(2) THIS SECTION DOES NOT APPLY TO:**

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

15                   **1. REPORTS ON INCIDENTS OF FRAUD; OR**

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

19           **(II) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY**  
20 **THAT ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,**  
21 **SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR SIMILAR**  
22 **NEGATIVE INFORMATION REGARDING A CONSUMER TO INQUIRING BANKS OR**  
23 **OTHER FINANCIAL INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER**  
24 **REQUEST FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL**  
25 **INSTITUTION; OR**

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

29                   **1. CRIMINAL RECORD INFORMATION;**

1                   **2. PERSONAL LOSS HISTORY INFORMATION;**

2                   **3. FRAUD PREVENTION OR DETECTION;**

3                   **4. EMPLOYMENT SCREENING; OR**

4                   **5. TENANT SCREENING.**

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

7                   (I) BY WRITTEN REQUEST SENT BY CERTIFIED MAIL;

8                   (II) ~~BY TELEPHONE~~;

9                   ~~(III)~~ BY ELECTRONIC MAIL IF A SECURE ELECTRONIC MAIL  
10 CONNECTION IS MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY; OR

11                   ~~(IV)~~ (III) OVER THE INTERNET IF A SECURE WEBSITE IS  
12 MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY.

13           (2) A CONSUMER REPORTING AGENCY SHALL REQUIRE A  
14 CONSUMER TO PROVIDE PROPER IDENTIFYING INFORMATION WHEN  
15 REQUESTING A SECURITY FREEZE.

16           (3) ~~A~~ EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS  
17 SUBSECTION, A CONSUMER REPORTING AGENCY SHALL PLACE A SECURITY  
18 FREEZE ON A CONSUMER'S CONSUMER REPORT WITHIN 5 BUSINESS DAYS AFTER  
19 RECEIVING A REQUEST FROM A CONSUMER.

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

23                   (I) SEND A WRITTEN CONFIRMATION OF THE SECURITY  
24 FREEZE TO THE CONSUMER;

25                   (II) PROVIDE THE CONSUMER WITH A UNIQUE PERSONAL  
26 IDENTIFICATION NUMBER OR PASSWORD TO BE USED BY THE CONSUMER WHEN

1 AUTHORIZING THE RELEASE OF THE CONSUMER'S CONSUMER REPORT TO A  
2 SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF TIME; AND

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

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

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

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

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

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

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

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

1           ~~(4) (i) IF ANY PERSON REQUESTS ACCESS TO A CONSUMER'S~~  
2 ~~CONSUMER REPORT WHILE A SECURITY FREEZE IS IN PLACE FOR A PURPOSE~~  
3 ~~OTHER THAN ACCOUNT REVIEW, THE CONSUMER REPORTING AGENCY SHALL~~  
4 ~~NOTIFY THE CONSUMER THAT AN ATTEMPT HAS BEEN MADE TO ACCESS THE~~  
5 ~~CONSUMER'S CONSUMER REPORT.~~

6           ~~(ii) THE NOTICE SHALL STATE THE IDENTITY OF THE~~  
7 ~~PERSON REQUESTING ACCESS TO THE CONSUMER'S CONSUMER REPORT AND~~  
8 ~~THE PURPOSE OF THE REQUEST.~~

9           (E) (1) IF A CONSUMER WANTS TO TEMPORARILY LIFT A SECURITY  
10 FREEZE TO ALLOW THE CONSUMER'S CONSUMER REPORT TO BE ACCESSED BY A  
11 SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF TIME WHILE A SECURITY  
12 FREEZE IS IN PLACE, THE CONSUMER SHALL:

13           (I) CONTACT THE CONSUMER REPORTING AGENCY BY  
14 MAIL, BY OR TELEPHONE AS DESIGNATED BY THE CONSUMER REPORTING  
15 AGENCY, BY ELECTRONIC MAIL IF A SECURE ELECTRONIC MAIL CONNECTION IS  
16 MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY, OR OVER THE  
17 INTERNET IF A SECURE WEBSITE IS MADE AVAILABLE BY THE CONSUMER  
18 REPORTING AGENCY;

19           (II) REQUEST THAT THE SECURITY FREEZE BE  
20 TEMPORARILY LIFTED; AND

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

- 23           1. PROPER IDENTIFYING INFORMATION;
- 24           2. THE UNIQUE PERSONAL IDENTIFICATION  
25 NUMBER OR PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY  
26 UNDER SUBSECTION (C)(4)(II) OF THIS SECTION; AND
- 27           3. THE PROPER INFORMATION REGARDING THE  
28 PERSON THAT IS TO RECEIVE THE CONSUMER REPORT OR THE TIME PERIOD  
29 DURING WHICH THE CONSUMER REPORT IS TO BE AVAILABLE TO USERS OF THE  
30 CONSUMER REPORT.

1           (2) (I) A CONSUMER REPORTING AGENCY SHALL COMPLY WITH  
2 A REQUEST MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION;

3                   1. WITHIN 3 BUSINESS DAYS AFTER RECEIVING THE  
4 REQUEST; OR

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

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

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

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

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

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

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

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

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

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

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

6                   **F. A COMMERCIALY REASONABLE MAINTENANCE**  
7 **OF, OR REPAIR TO, THE CONSUMER REPORTING AGENCY'S CONSUMER**  
8 **REPORTING SYSTEM THAT IS UNEXPECTED OR UNSCHEDULED.**

9           (F) ON OR BEFORE OCTOBER 1, 2009, A CONSUMER REPORTING  
10 AGENCY SHALL DEVELOP PROCEDURES INVOLVING THE USE OF ~~TELEPHONE OR~~  
11 ~~FACSIMILE, OR, ON CONSENT OF THE CONSUMER IN THE MANNER REQUIRED BY~~  
12 ~~THE FEDERAL ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL~~  
13 ~~COMMERCE ACT FOR LEGALLY REQUIRED NOTICES, THE INTERNET,~~  
14 ~~ELECTRONIC MAIL, OR OTHER ELECTRONIC MEDIA, THE MEANS OF~~  
15 COMMUNICATION AUTHORIZED UNDER THIS SECTION TO RECEIVE AND  
16 PROCESS, IN AN EXPEDITED MANNER, A REQUEST FROM A CONSUMER TO  
17 PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE ON THE  
18 CONSUMER'S CONSUMER REPORT.

19           (G) IF, IN CONNECTION WITH AN APPLICATION FOR CREDIT OR FOR ANY  
20 OTHER USE, A PERSON REQUESTS ACCESS TO A CONSUMER'S CONSUMER  
21 REPORT WHILE A SECURITY FREEZE IS IN PLACE AND THE CONSUMER DOES NOT  
22 AUTHORIZE ACCESS TO THE CONSUMER'S CONSUMER REPORT, THE PERSON  
23 MAY TREAT THE APPLICATION AS INCOMPLETE.

24           (H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
25 SUBSECTION, A CONSUMER REPORTING AGENCY MAY REMOVE OR  
26 TEMPORARILY LIFT A SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER  
27 REPORT ONLY ON REQUEST OF THE CONSUMER MADE UNDER SUBSECTION (E)  
28 OR (I) OF THIS SECTION.

29           (2) (I) A CONSUMER REPORTING AGENCY MAY REMOVE A  
30 SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER REPORT IF  
31 PLACEMENT OF THE SECURITY FREEZE WAS BASED ON A MATERIAL  
32 MISREPRESENTATION OF FACT BY THE CONSUMER.

1 (II) IF A CONSUMER REPORTING AGENCY INTENDS TO  
2 REMOVE A SECURITY FREEZE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH,  
3 THE CONSUMER REPORTING AGENCY SHALL NOTIFY THE CONSUMER IN  
4 WRITING OF ITS INTENT AT LEAST 5 BUSINESS DAYS BEFORE REMOVING THE  
5 SECURITY FREEZE.

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

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

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

13 (I) CONTACT THE CONSUMER REPORTING AGENCY BY MAIL  
14 OR TELEPHONE AS DESIGNATED BY THE CONSUMER REPORTING AGENCY, BY  
15 ELECTRONIC MAIL IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE  
16 AVAILABLE BY THE CONSUMER REPORTING AGENCY, OR OVER THE INTERNET IF  
17 A SECURE WEBSITE IS MADE AVAILABLE BY THE CONSUMER REPORTING  
18 AGENCY;

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

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

23 ~~(H)~~ 1. PROPER IDENTIFYING INFORMATION; AND

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

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

1 (J) (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)(II) 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) \$10 FOR EACH PLACEMENT, TEMPORARY LIFT, OR  
12 REMOVAL OF A SECURITY FREEZE; AND

13 (II) 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 TO A CONSUMER WHO,  
17 AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A  
18 SECURITY FREEZE, PRESENTS TO THE CONSUMER REPORTING AGENCY A  
19 POLICE REPORT ALLEGING THAT THE CONSUMER IS A VICTIM OF IDENTITY  
20 THEFT UNDER § 8-301 OF THE CRIMINAL LAW ARTICLE.

21 (K) AT ANY TIME THAT A CONSUMER IS ENTITLED TO RECEIVE A  
22 SUMMARY OF RIGHTS UNDER § 609 OF THE FEDERAL FAIR CREDIT REPORTING  
23 ACT OR § 14-1206 OF THIS SUBTITLE, THE FOLLOWING NOTICE SHALL BE  
24 INCLUDED:

25 "NOTICE

26 YOU HAVE A RIGHT, UNDER ~~§ 14-1202.1~~ § 14-1212.1 OF THE  
27 COMMERCIAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND, TO  
28 PLACE A SECURITY FREEZE ON YOUR ~~CREDIT~~ CONSUMER REPORT AT NO  
29 ~~CHARGE TO YOU.~~ THE SECURITY FREEZE WILL PROHIBIT A CONSUMER  
30 REPORTING AGENCY FROM RELEASING YOUR CONSUMER REPORT OR ANY  
31 INFORMATION CONTAINED IN, OR DERIVED FROM, YOUR ~~CREDIT~~ CONSUMER  
32 REPORT WITHOUT YOUR EXPRESS AUTHORIZATION. THE PURPOSE OF A

1 SECURITY FREEZE IS TO PREVENT CREDIT, LOANS, AND SERVICES FROM BEING  
2 APPROVED IN YOUR NAME WITHOUT YOUR CONSENT.

3 YOU MAY ELECT TO HAVE A CONSUMER REPORTING AGENCY PLACE A  
4 SECURITY FREEZE ON YOUR ~~CREDIT~~ CONSUMER REPORT BY WRITTEN REQUEST  
5 SENT BY CERTIFIED MAIL, ~~BY TELEPHONE~~, BY ELECTRONIC MAIL IF THE  
6 CONSUMER REPORTING AGENCY HAS A SECURE ELECTRONIC MAIL  
7 CONNECTION, OR OVER THE INTERNET IF THE CONSUMER REPORTING AGENCY  
8 HAS A SECURE WEBSITE. THE CONSUMER REPORTING AGENCY MUST PLACE A  
9 SECURITY FREEZE ON YOUR ~~CREDIT~~ CONSUMER REPORT WITHIN 5 BUSINESS  
10 DAYS AFTER YOUR REQUEST IS RECEIVED. ~~WITHIN 3~~ 5 BUSINESS DAYS AFTER A  
11 SECURITY FREEZE IS PLACED ON YOUR ~~CREDIT~~ CONSUMER REPORT, YOU WILL  
12 BE PROVIDED WITH A UNIQUE PERSONAL IDENTIFICATION NUMBER OR  
13 PASSWORD TO USE IF YOU WANT TO REMOVE THE SECURITY FREEZE OR  
14 TEMPORARILY LIFT THE SECURITY FREEZE TO RELEASE YOUR ~~CREDIT~~  
15 CONSUMER REPORT TO A SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF  
16 TIME. YOU ALSO WILL RECEIVE INFORMATION ON THE PROCEDURES FOR  
17 REMOVING OR TEMPORARILY LIFTING A SECURITY FREEZE.

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

21 (1) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR  
22 PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY;

23 (2) PROPER IDENTIFYING INFORMATION TO VERIFY YOUR  
24 IDENTITY; AND

25 (3) THE PROPER INFORMATION REGARDING THE PERSON WHO IS  
26 TO RECEIVE THE ~~CREDIT~~ CONSUMER REPORT OR THE PERIOD OF TIME FOR  
27 WHICH THE ~~CREDIT~~ CONSUMER REPORT IS TO BE AVAILABLE TO USERS OF THE  
28 ~~CREDIT~~ CONSUMER REPORT.

29 A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO  
30 TEMPORARILY LIFT OR REMOVE A SECURITY FREEZE ON A ~~CREDIT~~ CONSUMER  
31 REPORT WITHIN 3 BUSINESS DAYS AFTER THE REQUEST IS RECEIVED. AFTER  
32 JANUARY 31, 2009, A CONSUMER REPORTING AGENCY MUST COMPLY WITH A  
33 REQUEST TO TEMPORARILY LIFT A SECURITY FREEZE ON A CONSUMER REPORT

1 WITHIN 15 MINUTES AFTER A REQUEST IS RECEIVED BY THE CONSUMER  
2 REPORTING AGENCY UNDER CERTAIN CIRCUMSTANCES SPECIFIED IN LAW.

3 IF YOU ARE ACTIVELY SEEKING CREDIT, YOU SHOULD BE AWARE THAT  
4 THE PROCEDURES INVOLVED IN LIFTING A SECURITY FREEZE MAY SLOW YOUR  
5 OWN APPLICATIONS FOR CREDIT. YOU SHOULD PLAN AHEAD AND LIFT A  
6 SECURITY FREEZE, EITHER COMPLETELY IF YOU ARE SEEKING CREDIT FROM A  
7 NUMBER OF SOURCES, OR JUST FOR A SPECIFIC CREDITOR IF YOU ARE  
8 APPLYING ONLY TO THAT CREDITOR, A FEW DAYS BEFORE ACTUALLY APPLYING  
9 FOR NEW CREDIT.

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

20 A SECURITY FREEZE DOES NOT APPLY IF YOU HAVE AN EXISTING  
21 ACCOUNT RELATIONSHIP AND A COPY OF YOUR ~~CREDIT~~ CONSUMER REPORT IS  
22 REQUESTED BY YOUR EXISTING CREDITOR OR ITS AGENTS OR AFFILIATES FOR  
23 CERTAIN TYPES OF ACCOUNT REVIEW, COLLECTION, FRAUD CONTROL, OR  
24 SIMILAR ~~ACTIVITIES.~~ ACTIVITIES."

25 ~~YOU HAVE A RIGHT TO BRING A CIVIL ACTION AGAINST ANY CONSUMER~~  
26 ~~REPORTING AGENCY OR USER OF YOUR CREDIT REPORT WHO VIOLATES YOUR~~  
27 ~~RIGHTS UNDER MARYLAND'S CREDIT REPORTING LAWS."~~

28 (L) IF A CONSUMER REPORTING AGENCY ~~VIOLATES A SECURITY FREEZE~~  
29 ~~BY RELEASING A CONSUMER'S~~ ERRONEOUSLY RELEASES A CONSUMER REPORT  
30 SUBJECT TO A SECURITY FREEZE OR ANY INFORMATION CONTAINED IN, OR  
31 DERIVED FROM, A CONSUMER'S CONSUMER REPORT SUBJECT TO A SECURITY  
32 FREEZE, THE CONSUMER REPORTING AGENCY, WITHIN 5 BUSINESS DAYS AFTER  
33 THE DISCOVERING OR BEING NOTIFIED OF THE ERRONEOUS RELEASE, SHALL  
34 NOTIFY THE AFFECTED CONSUMER IN WRITING OF:

1           (1) ~~THE SPECIFIC NATURE OF THE INFORMATION RELEASED; AND~~

2           (2) ~~THE NAME AND ADDRESS OF CONTACT INFORMATION FOR~~  
3 ~~THE RECIPIENT OF THE CONSUMER REPORT OR THE INFORMATION RELEASED.~~

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

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

10           ~~(I) DAMAGES IN THE AMOUNT OF THE GREATER OF:~~

11                     ~~1. \$500 FOR EACH VIOLATION; OR~~

12                     ~~2. ACTUAL DAMAGES SUSTAINED AS A RESULT OF~~  
13 ~~THE VIOLATION; AND~~

14           ~~(H) REASONABLE ATTORNEY'S FEES.~~

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

18           ~~(M) THE EXCLUSIVE REMEDY FOR A VIOLATION OF §~~  
19 ~~14-1212.1(E)(2)(I)2 OF THIS SUBTITLE SHALL BE A COMPLAINT FILED WITH~~  
20 ~~THE COMMISSIONER UNDER § 14-1217 OF THIS SUBTITLE.~~

21           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 2007.