

# HOUSE BILL 1285

I3, I2

8lr2692

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By: **Delegate Kramer**

Introduced and read first time: February 9, 2018

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Consumer Reporting Agencies – Security Freezes – Call**  
3 **Center**

4 FOR the purpose of prohibiting a consumer reporting agency from charging a fee for the  
5 placement, temporary lift, or removal of a security freeze requested by a consumer  
6 or a certain consumer representative under certain circumstances; altering the  
7 contents of a certain notice that must be included with a certain summary of rights  
8 provided to a consumer; requiring a consumer reporting agency to maintain a certain  
9 call center; requiring the consumer reporting agency to publicize the availability of  
10 the call center in a certain manner; requiring the call center to provide a certain  
11 response to a consumer in a certain manner; and generally relating to consumer  
12 reporting agencies and credit report security freezes.

13 BY repealing and reenacting, with amendments,  
14 Article – Commercial Law  
15 Section 14–1212.1(i) and (j), 14–1212.2(i), and 14–1212.3(i)  
16 Annotated Code of Maryland  
17 (2013 Replacement Volume and 2017 Supplement)

18 BY adding to  
19 Article – Commercial Law  
20 Section 14–1212.4  
21 Annotated Code of Maryland  
22 (2013 Replacement Volume and 2017 Supplement)

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

25 **Article – Commercial Law**

26 14–1212.1.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) (1) Except as provided in paragraph (2) of this subsection, a consumer may  
2 not be charged for any service relating to a security freeze.

3 (2) A consumer reporting agency may charge a reasonable fee, not  
4 exceeding \$5, for each placement, temporary lift, or removal of a security freeze.

5 (3) Notwithstanding paragraph (2) of this subsection, a consumer reporting  
6 agency may not charge any fee under this section to a consumer who:

7 (i) 1. Has obtained a report of alleged identity fraud against the  
8 consumer under § 8-304 of the Criminal Law Article or an identity theft passport under §  
9 8-305 of the Criminal Law Article; and

10 2. Provides a copy of the report or passport to the consumer  
11 reporting agency; [or]

12 (ii) Requests the placement of a security freeze if the consumer has  
13 not previously requested the placement of a security freeze from the consumer reporting  
14 agency; **OR**

15 **(III) REQUESTS THE PLACEMENT OF A SECURITY FREEZE**  
16 **WITHIN 90 DAYS AFTER A DATA BREACH INVOLVING ANY CONSUMER REPORTING**  
17 **AGENCY THAT MAINTAINS A FILE ON THE CONSUMER.**

18 (j) At any time that a consumer is entitled to receive a summary of rights under  
19 § 609 of the federal Fair Credit Reporting Act or § 14-1206 of this subtitle, the following  
20 notice shall be included:

21 "NOTICE

22 You have a right, under § 14-1212.1 of the Commercial Law Article of the Annotated  
23 Code of Maryland, to place a security freeze on your credit report. The security freeze will  
24 prohibit a consumer reporting agency from releasing your credit report or any information  
25 derived from your credit report without your express authorization. The purpose of a  
26 security freeze is to prevent credit, loans, and services from being approved in your name  
27 without your consent.

28 You may elect to have a consumer reporting agency place a security freeze on your  
29 credit report by written request sent by certified mail or by electronic mail or the Internet  
30 if the consumer reporting agency provides a secure electronic connection. The consumer  
31 reporting agency must place a security freeze on your credit report within 3 business days  
32 after your request is received. Within 5 business days after a security freeze is placed on  
33 your credit report, you will be provided with a unique personal identification number or  
34 password to use if you want to remove the security freeze or temporarily lift the security  
35 freeze to release your credit report to a specific person or for a specific period of time. You

1 also will receive information on the procedures for removing or temporarily lifting a  
2 security freeze.

3 If you want to temporarily lift the security freeze on your credit report, you must  
4 contact the consumer reporting agency and provide all of the following:

5 (1) The unique personal identification number or password provided by the  
6 consumer reporting agency;

7 (2) The proper identifying information to verify your identity; and

8 (3) The proper information regarding the person who is to receive the credit  
9 report or the period of time for which the credit report is to be available to users of the  
10 credit report.

11 A consumer reporting agency must comply with a request to temporarily lift a  
12 security freeze on a credit report within 3 business days after the request is received, or  
13 within 15 minutes for certain requests. A consumer reporting agency must comply with a  
14 request to remove a security freeze on a credit report within 3 business days after the  
15 request is received.

16 If you are actively seeking credit, you should be aware that the procedures involved  
17 in lifting a security freeze may slow your own applications for credit. You should plan ahead  
18 and lift a security freeze, either completely if you are seeking credit from a number of  
19 sources, or just for a specific creditor if you are applying only to that creditor, a few days  
20 before actually applying for new credit.

21 A consumer reporting agency may charge a reasonable fee not exceeding \$5 for each  
22 placement, temporary lift, or removal of a security freeze. However, a consumer reporting  
23 agency may not charge any fee to a consumer who, at the time of a request to place,  
24 temporarily lift, or remove a security freeze, presents to the consumer reporting agency a  
25 police report of alleged identity fraud against the consumer or an identity theft passport. A  
26 consumer reporting agency also may not charge any fee to a consumer for the first  
27 placement of a security freeze with the consumer reporting agency. **IN ADDITION, A  
28 CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE TO A CONSUMER WHO  
29 REQUESTS A SECURITY FREEZE WITHIN 90 DAYS AFTER A DATA BREACH INVOLVING  
30 ANY CONSUMER REPORTING AGENCY THAT MAINTAINS A FILE ON THE CONSUMER.**

31 A security freeze does not apply if you have an existing account relationship and a  
32 copy of your credit report is requested by your existing creditor or its agents or affiliates for  
33 certain types of account review, collection, fraud control, or similar activities.”

34 14–1212.2.

35 (i) (1) Except as provided in paragraph (2) of this subsection, a consumer  
36 reporting agency may not charge a fee for any service performed under this section.

1 (2) A consumer reporting agency may charge a reasonable fee, not  
2 exceeding \$5, for each placement or removal of a security freeze for a protected consumer.

3 (3) Notwithstanding paragraph (2) of this subsection, a consumer reporting  
4 agency may not charge any fee under this section if:

5 (i) The protected consumer's representative:

6 1. **A.** Has obtained a report of alleged identity fraud  
7 against the protected consumer under § 8–304 of the Criminal Law Article or an identity  
8 theft passport under § 8–305 of the Criminal Law Article; and

9 [2.] **B.** Provides a copy of the report or passport to the  
10 consumer reporting agency; or

11 **2. REQUESTS THE PLACEMENT OF A SECURITY FREEZE**  
12 **WITHIN 90 DAYS AFTER A DATA BREACH INVOLVING ANY CONSUMER REPORTING**  
13 **AGENCY THAT MAINTAINS A FILE ON THE PROTECTED CONSUMER; OR**

14 (ii) 1. A request for the placement or removal of a security freeze  
15 is for a protected consumer who is under the age of 16 years at the time of the request; and

16 2. The consumer reporting agency has a consumer report  
17 pertaining to the protected consumer.

18 14–1212.3.

19 (i) **(1)** A consumer reporting agency may charge a reasonable fee, not  
20 exceeding \$5, for each placement or removal of a security freeze for a protected consumer  
21 under this section.

22 **(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, A**  
23 **CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE UNDER THIS SECTION**  
24 **FOR ANY PLACEMENT OR REMOVAL OF A SECURITY FREEZE FOR A PROTECTED**  
25 **CONSUMER UNDER THIS SECTION IF A REQUEST FOR THE SECURITY FREEZE IS MADE**  
26 **WITHIN 90 DAYS AFTER A DATA BREACH INVOLVING ANY CONSUMER REPORTING**  
27 **AGENCY THAT MAINTAINS A FILE ON THE PROTECTED CONSUMER.**

28 14–1212.4.

29 **(A) A CONSUMER REPORTING AGENCY THAT MAINTAINS A FILE ON A**  
30 **CONSUMER IN THE STATE SHALL MAINTAIN A TOLL-FREE CUSTOMER CALL CENTER**  
31 **IN THE CONTINENTAL UNITED STATES.**

32 **(B) THE CONSUMER REPORTING AGENCY SHALL PUBLICIZE THE**

1 AVAILABILITY OF THE CALL CENTER TO CONSUMERS IN THE STATE THROUGH  
2 ADVERTISING IN PRINT MEDIA, BROADCAST MEDIA, SOCIAL MEDIA, AND ON THE  
3 WEBSITE OF THE CONSUMER REPORTING AGENCY.

4 (C) THE CALL CENTER SHALL PROVIDE A CONSUMER WITH THE ABILITY TO  
5 SPEAK PERSONALLY WITH AN INDIVIDUAL TO ASSIST THE CONSUMER WITH THE  
6 CONSUMER'S INQUIRY OR OTHER ISSUE WITHIN 10 MINUTES AFTER THE CONSUMER  
7 INITIATES THE CALL TO THE CALL CENTER.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2018.