
By: **Senator DeGrange**

Introduced and read first time: February 2, 2005

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection - Identity Fraud - Blocking of Information in Credit**
3 **Reports**

4 FOR the purpose of authorizing a consumer to request that a consumer reporting
5 agency permanently block the reporting of certain information under certain
6 circumstances; requiring a consumer reporting agency to permanently block the
7 reporting of certain information and notify a consumer of the effective date of a
8 block on certain information within a certain time period under certain
9 circumstances; authorizing a consumer reporting agency to decline or rescind a
10 block on certain information under certain circumstances; requiring a consumer
11 reporting agency to notify a consumer that a block on certain information is
12 declined or rescinded within a certain time period; specifying that a consumer
13 whose request for a block on certain information is denied or rescinded may
14 make another request for a block that is based on different circumstances;
15 establishing a certain penalty; and generally relating to credit reporting
16 agencies and identity fraud victims.

17 BY adding to
18 Article - Commercial Law
19 Section 14-1212.1
20 Annotated Code of Maryland
21 (2000 Replacement Volume and 2004 Supplement)

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

24 **Article - Commercial Law**

25 14-1212.1.

26 (A) A CONSUMER MAY REQUEST A CONSUMER REPORTING AGENCY TO
27 PERMANENTLY BLOCK THE REPORTING OF INFORMATION THAT THE CONSUMER
28 IDENTIFIES AS ERRONEOUS BECAUSE OF AN IDENTITY FRAUD VIOLATION UNDER §
29 8-301 OF THE CRIMINAL LAW ARTICLE BY SENDING TO THE CONSUMER REPORTING
30 AGENCY:

1 (1) PROOF OF THE CONSUMER'S IDENTIFICATION; AND

2 (2) A COPY OF AN EXPUNGEMENT ORDER OR A POLICE REPORT
3 CONCERNING THE CONSUMER'S CLAIM TO BE A VICTIM OF IDENTITY FRAUD.

4 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, WITHIN 30
5 DAYS AFTER RECEIPT OF PROOF OF THE CONSUMER'S IDENTIFICATION AND A COPY
6 OF AN EXPUNGEMENT ORDER OR A POLICE REPORT, A CONSUMER REPORTING
7 AGENCY SHALL:

8 (1) PERMANENTLY BLOCK THE REPORTING OF INFORMATION THAT THE
9 CONSUMER IDENTIFIES AS ERRONEOUS; AND

10 (2) PROMPTLY NOTIFY THE CONSUMER OF THE EFFECTIVE DATE OF
11 THE BLOCK.

12 (C) (1) A CONSUMER REPORTING AGENCY MAY DECLINE OR RESCIND A
13 BLOCK ON CONSUMER INFORMATION IF:

14 (I) THE CONSUMER REPORTING AGENCY, ACTING IN GOOD FAITH,
15 REASONABLY BELIEVES THE CONSUMER MISREPRESENTED THE FACTS RELEVANT
16 TO THE REQUEST TO BLOCK UNDER THIS SECTION;

17 (II) THE CONSUMER AGREES THAT THE INFORMATION SHOULD
18 NOT BE BLOCKED; OR

19 (III) THE CONSUMER KNEW OR SHOULD HAVE KNOWN THAT THE
20 BLOCK WAS PART OF A SCHEME IN WHICH MONEY, GOODS, OR SERVICES WERE
21 OBTAINED.

22 (2) IF THE BLOCK ON INFORMATION IS DECLINED OR RESCINDED, THE
23 CONSUMER SHALL BE NOTIFIED WITHIN 30 DAYS.

24 (D) A CONSUMER WHOSE REQUEST FOR A BLOCK ON INFORMATION IS
25 DECLINED OR RESCINDED MAY MAKE ANOTHER REQUEST FOR A BLOCK THAT IS
26 BASED ON DIFFERENT CIRCUMSTANCES.

27 (E) IF A CONSUMER REPORTING AGENCY VIOLATES SUBSECTION (B) OF THIS
28 SECTION, THE COMMISSIONER SHALL IMPOSE A CIVIL PENALTY OF \$500 FOR EACH
29 VIOLATION.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 2005.