

HOUSE BILL NO. 289

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE CLAMAN

Introduced: 1/19/18

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the fees that may be charged by a consumer credit reporting agency;
2 and relating to the placement of a security freeze on a credit report."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Sec. 2.** AS 45.48.160(a) is amended to read:

5 (a) Except as provided by [(b),] (c) [, OR (d)] of this section, a consumer
6 credit reporting agency may not charge a consumer, or the parent, legal guardian, or
7 conservator of a consumer under AS 45.48.220, to place or remove a security
8 freeze, to provide access under AS 45.48.130, or to take any other action, including
9 the issuance of a personal identification number, password, or similar device under
10 AS 45.48.120 or the generation of a credit report on which to place a security
11 freeze, that is related to the placement of, removal of, or allowing access to a credit
12 report or credit score on which a security freeze has been placed.

13 * **Sec. 1.** AS 45.48.160(e) is amended to read:

14 (e) A consumer credit reporting agency may not charge a consumer a fee

1 under [(b) OR] (c) of this section if the consumer has been a victim of identity theft
 2 and provides the consumer credit reporting agency with a complaint filed by the
 3 consumer with a law enforcement agency.

4 * **Sec. 3.** AS 45.48.170 is amended to read:

5 **Sec. 45.48.170. Notice of rights.** When a consumer credit reporting agency is
 6 required to give a consumer a summary of rights under 15 U.S.C. 1681g (Fair Credit
 7 Reporting Act), a consumer credit reporting agency shall also give the consumer the
 8 following notice:

9 **Consumers Have the Right to Obtain a Security Freeze**

10 You may obtain a security freeze on your credit report and
 11 credit score without charge [FOR \$5] to protect your privacy and
 12 ensure that credit is not granted in your name without your knowledge.
 13 [YOU MAY NOT HAVE TO PAY THE \$5 CHARGE IF YOU ARE
 14 A VICTIM OF IDENTITY THEFT.] You have a right to place a
 15 security freeze on your credit report and credit score under state law
 16 (AS 45.48.100 - 45.48.290).

17 The security freeze will prohibit a consumer credit reporting
 18 agency from releasing your credit score and any information in your
 19 credit report without your express authorization or approval.

20 The security freeze is designed to prevent credit, loans, and
 21 other services from being approved in your name without your consent.
 22 However, you should be aware that using a security freeze to take
 23 control over who gets access to the personal and financial information
 24 in your credit report and credit score may delay, interfere with, or
 25 prohibit the timely approval of any subsequent request or application
 26 you make regarding a new loan, credit, a mortgage, a governmental
 27 service, a governmental payment, a cellular telephone, a utility, an
 28 Internet credit card application, an extension of credit at point of sale,
 29 and other items and services.

30 When you place a security freeze on your credit report and
 31 credit score, within 10 business days, you will be provided a personal

1 identification number, password, or similar device to use if you choose
2 to remove the freeze on your credit report and credit score or to
3 temporarily authorize the release of your credit report and credit score
4 to a specific third party or specific third parties or for a specific period
5 of time after the freeze is in place. To provide that authorization, you
6 must contact the consumer credit reporting agency and provide all of
7 the following:

- 8 (1) proper identification to verify your identity;
- 9 (2) the personal identification number, password, or
10 similar device provided by the consumer credit reporting agency;
- 11 (3) proper information necessary to identify the third
12 party or third parties who are authorized to receive the credit report and
13 credit score or the specific period of time for which the credit report
14 and credit score are to be available to third parties.

15 A consumer credit reporting agency that receives your request
16 to temporarily lift a freeze on a credit report and credit score is required
17 to comply with the request within 15 minutes, except after normal
18 business hours and under certain other conditions, after receiving your
19 request if you make the request by telephone, or an electronic method if
20 the agency provides an electronic method, or within three business days
21 after receiving your request if you make the request by mail. The
22 consumer credit reporting agency may charge you \$2 to temporarily lift
23 the freeze. **You may not have to pay the \$2 charge if you are a**
24 **victim of identity theft.**

25 A security freeze does not apply to circumstances where you
26 have an existing account relationship and a copy of your credit report
27 and credit score are requested by your existing creditor or its agents or
28 affiliates for certain types of account review, collection, fraud control,
29 or similar activities.

30 If you are actively seeking credit, you should understand that
31 the procedures involved in lifting a security freeze may slow your own

1 applications for credit. You should plan ahead and lift a freeze, either
2 completely if you are shopping around, or specifically for a certain
3 creditor, days before applying for new credit.

4 You have a right to bring a civil action against someone who
5 violates your rights under these laws on security freezes. The action can
6 be brought against a consumer credit reporting agency.

7 * **Sec. 4.** AS 45.48.160(b) and 45.48.160(d) are repealed.