
HOUSE BILL 2277

State of Washington

65th Legislature

2018 Regular Session

By Representative Eslick

Prefiled 12/13/17.

1 AN ACT Relating to consumer reporting agency security freeze
2 fees; and amending RCW 19.182.170 and 19.182.230.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.182.170 and 2007 c 499 s 1 are each amended to
5 read as follows:

6 (1) A consumer, who is a resident of this state, may elect to
7 place a security freeze on his or her credit report by making a
8 request in writing by certified mail to a consumer reporting agency.
9 "Security freeze" means a prohibition, consistent with this section,
10 on a consumer reporting agency's furnishing of a consumer's credit
11 report to a third party intending to use the credit report to
12 determine the consumer's eligibility for credit. If a security freeze
13 is in place, information from a consumer's credit report may not be
14 released to a third party without prior express authorization from
15 the consumer. This subsection does not prevent a consumer reporting
16 agency from advising a third party that a security freeze is in
17 effect with respect to the consumer's credit report.

18 (2) For purposes of this section and RCW 19.182.180 through
19 19.182.210:

20 (a) "Victim of identity theft" means a person who has a police
21 report evidencing their claim to be a victim of a violation of RCW

1 9.35.020 and which report will be produced to a consumer reporting
2 agency, upon such consumer reporting agency's request.

3 (b) "Credit report" means a consumer report, as defined in 15
4 U.S.C. Sec. 1681a, that is used or collected to serve as a factor in
5 establishing a consumer's eligibility for credit for personal,
6 family, or household purposes.

7 (c) "Normal business hours" means Sunday through Saturday,
8 between the hours of 6:00 a.m. and 9:30 p.m. Pacific time.

9 (3) A consumer reporting agency shall place a security freeze on
10 a consumer's credit report no later than five business days after
11 receiving a written request from the consumer and payment of the fee
12 required by the consumer reporting agency under subsection (13) of
13 this section.

14 (4) The consumer reporting agency shall send a written
15 confirmation of the security freeze to the consumer within ten
16 business days and shall provide the consumer with a unique personal
17 identification number or password to be used by the consumer when
18 providing authorization for the release of his or her credit report
19 for a specific party or period of time.

20 (5) If the consumer wishes to allow his or her credit report to
21 be accessed for a specific period of time while a freeze is in place,
22 he or she shall contact the consumer reporting agency, request that
23 the freeze be temporarily lifted, and provide the following:

24 (a) Proper identification, which means that information generally
25 deemed sufficient to identify a person. Only if the consumer is
26 unable to sufficiently identify himself or herself, may a consumer
27 reporting agency require additional information concerning the
28 consumer's employment and personal or family history in order to
29 verify his or her identity;

30 (b) The unique personal identification number or password
31 provided by the consumer reporting agency under subsection (4) of
32 this section;

33 (c) The proper information regarding the time period for which
34 the report is available to users of the credit report; and

35 (d) Payment of the fee required by the consumer reporting agency
36 under subsection (13) of this section.

37 (6) A consumer reporting agency that receives a request from a
38 consumer to temporarily lift a freeze on a credit report under
39 subsection (5) of this section shall comply with the request within:

40 (a) Three business days of receiving the request by mail; or

1 (b) Fifteen minutes of receiving the request from the consumer
2 through the electronic contact method chosen by the consumer
3 reporting agency in accordance with subsection (8) of this section,
4 if the request:

5 (i) Is received during normal business hours; and

6 (ii) Includes the consumer's proper identification and correct
7 personal identification number or password.

8 (7) A consumer reporting agency is not required to remove a
9 security freeze within the time provided in subsection (6)(b) of this
10 section if:

11 (a) The consumer fails to meet the requirements of subsection (5)
12 of this section; or

13 (b) The consumer reporting agency's ability to remove the
14 security freeze within fifteen minutes is prevented by:

15 (i) An act of God, including fire, earthquakes, hurricanes,
16 storms, or similar natural disasters or phenomena;

17 (ii) Unauthorized or illegal acts by a third party, including
18 terrorism, sabotage, riot, vandalism, labor strikes, or disputes
19 disrupting operations, or similar occurrences;

20 (iii) An interruption in operations, including electrical
21 failure, unanticipated delay in equipment or replacement part
22 delivery, computer hardware or software failures inhibiting response
23 time, or similar disruptions;

24 (iv) Governmental action, including emergency orders or
25 regulations, judicial or law enforcement action, or similar
26 directives;

27 (v) Regularly scheduled maintenance of, or updates to, the
28 consumer reporting agency's systems outside of normal business hours;

29 (vi) Commercially reasonable maintenance of, or repair to, the
30 consumer reporting agency's systems that is unexpected or
31 unscheduled; or

32 (vii) Receipt of a removal request outside of normal business
33 hours.

34 (8) A consumer reporting agency may develop procedures involving
35 the use of telephone, fax, the internet, or other electronic media to
36 receive and process a request from a consumer to temporarily lift a
37 freeze on a credit report under subsection (5) of this section in an
38 expedited manner.

1 (9) A consumer reporting agency shall remove or temporarily lift
2 a freeze placed on a consumer's credit report only in the following
3 cases:

4 (a) Upon consumer request, under subsection (5) or (12) of this
5 section; or

6 (b) When the consumer's credit report was frozen due to a
7 material misrepresentation of fact by the consumer. When a consumer
8 reporting agency intends to remove a freeze upon a consumer's credit
9 report under this subsection, the consumer reporting agency shall
10 notify the consumer in writing prior to removing the freeze on the
11 consumer's credit report.

12 (10) When a third party requests access to a consumer credit
13 report on which a security freeze is in effect, and this request is
14 in connection with an application for credit or any other use, and
15 the consumer does not allow his or her credit report to be accessed
16 for that period of time, the third party may treat the application as
17 incomplete.

18 (11) When a consumer requests a security freeze, the consumer
19 reporting agency shall disclose the process of placing and
20 temporarily lifting a freeze, and the process for allowing access to
21 information from the consumer's credit report for a specific period
22 of time while the freeze is in place.

23 (12) A security freeze remains in place until the consumer
24 requests that the security freeze be removed. A consumer reporting
25 agency shall remove a security freeze within three business days of
26 receiving a request for removal from the consumer, who provides all
27 of the following:

28 (a) Proper identification, as defined in subsection (5)(a) of
29 this section;

30 (b) The unique personal identification number or password
31 provided by the consumer reporting agency under subsection (4) of
32 this section; and

33 (c) Payment of the fee required by the consumer reporting agency
34 under subsection (13) of this section.

35 (13)(a) Except as provided in (b) of this subsection, a consumer
36 reporting agency may charge a fee of no more than ten dollars to a
37 consumer for placement of each freeze, temporary lift of the freeze,
38 ~~((or))~~ removal of the freeze, or requests to reissue a personal
39 identification number.

1 (b) A consumer reporting agency may not charge a fee to place a
2 security freeze for (~~a victim of identity theft or for a consumer,~~
3 ~~who is~~));

4 (i) One security freeze placement, temporary lift of the freeze,
5 and removal of the freeze per consumer per calendar year at each
6 consumer reporting agency;

7 (ii) Up to three security freeze placements, temporary lifts, and
8 removals of the freeze per consumer per calendar year at each credit
9 reporting agency for victims of identity theft or consumers that
10 provide documentation which shows their personal or financial
11 information has been compromised as part of a security breach; and

12 (iii) Persons age sixty-five years old or older.

13 (14) This section does not apply to the use of a consumer credit
14 report by any of the following:

15 (a) A person or entity, or a subsidiary, affiliate, or agent of
16 that person or entity, or an assignee of a financial obligation owing
17 by the consumer to that person or entity, or a prospective assignee
18 of a financial obligation owing by the consumer to that person or
19 entity in conjunction with the proposed purchase of the financial
20 obligation, with which the consumer has or had prior to assignment an
21 account or contract, including a demand deposit account, or to whom
22 the consumer issued a negotiable instrument, for the purposes of
23 reviewing the account or collecting the financial obligation owing
24 for the account, contract, or negotiable instrument. For purposes of
25 this subsection, "reviewing the account" includes activities related
26 to account maintenance, monitoring, credit line increases, and
27 account upgrades and enhancements;

28 (b) Any federal, state, or local entity, including a law
29 enforcement agency, court, or their agents or assigns;

30 (c) Any person acting under a court order, warrant, or subpoena;

31 (d) A child support agency acting under Title IV-D of the social
32 security act (42 U.S.C. Sec. 651 et seq.);

33 (e) The department of social and health services acting to
34 fulfill any of its statutory responsibilities;

35 (f) The internal revenue service acting to investigate or collect
36 delinquent taxes or unpaid court orders or to fulfill any of its
37 other statutory responsibilities;

38 (g) The use of credit information for the purposes of
39 prescreening as provided for by the federal fair credit reporting
40 act;

1 (h) Any person or entity administering a credit file monitoring
2 subscription service to which the consumer has subscribed;

3 (i) Any person or entity for the purpose of providing a consumer
4 with a copy of his or her credit report upon the consumer's request;
5 and

6 (j) A mortgage broker or loan originator required to be licensed
7 under chapter 19.146 RCW.

8 (15) Liability may not result to the consumer reporting agency if
9 through inadvertence or mistake the consumer reporting agency
10 releases credit report information to a person or entity purporting
11 to be a mortgage broker or loan originator under subsection (14) of
12 this section that is, in fact, not a mortgage broker or loan
13 originator.

14 (16) The consumer's request for a security freeze does not
15 prohibit the consumer reporting agency from disclosing the consumer's
16 credit report for other than credit-related purposes.

17 (17) A violation of subsection (6) of this section does not
18 provide a private cause of action under RCW 19.86.090. A violation of
19 subsection (6) of this section shall be enforced exclusively by the
20 attorney general. A violation of subsection (6) of this section is
21 subject to all other remedies and penalties available under this
22 chapter.

23 **Sec. 2.** RCW 19.182.230 and 2016 c 135 s 2 are each amended to
24 read as follows:

25 (1) A consumer reporting agency shall place a security freeze for
26 a protected consumer if:

27 (a) The consumer reporting agency receives a request from the
28 protected consumer's representative for the placement of the security
29 freeze under this section; and

30 (b) The protected consumer's representative:

31 (i) Submits the request to the consumer reporting agency at the
32 address or other point of contact and in the manner specified by the
33 consumer reporting agency;

34 (ii) Provides to the consumer reporting agency sufficient proof
35 of identification of the protected consumer and the representative;

36 (iii) Provides to the consumer reporting agency sufficient proof
37 of authority to act on behalf of the protected consumer; and

38 (iv) Pays to the consumer reporting agency a fee as provided in
39 this section.

1 (2) If a consumer reporting agency does not have a file
2 pertaining to a protected consumer when the consumer reporting agency
3 receives a request under subsection (1)(a) of this section, the
4 consumer reporting agency shall create a record for the protected
5 consumer.

6 (3) Within thirty days after receiving a request that meets the
7 requirements of subsection (1) of this section, a consumer reporting
8 agency shall place a security freeze for the protected consumer.

9 (4) Unless a security freeze for a protected consumer is removed
10 in accordance with subsection (6) or (9) of this section, a consumer
11 reporting agency may not release the protected consumer's consumer
12 report, any information derived from the protected consumer's
13 consumer report, or any record created for the protected consumer.

14 (5) A security freeze for a protected consumer placed in
15 accordance with this section shall remain in effect until:

16 (a) The protected consumer or the protected consumer's
17 representative requests the consumer reporting agency to remove the
18 security freeze in accordance with subsection (6) of this section; or

19 (b) The security freeze is removed in accordance with subsection
20 (9) of this section.

21 (6) If a protected consumer or a protected consumer's
22 representative wishes to remove a security freeze for the protected
23 consumer, the protected consumer or the protected consumer's
24 representative shall:

25 (a) Submit a request for the removal of the security freeze to
26 the consumer reporting agency at the address or other point of
27 contact and in the manner specified by the consumer reporting agency;

28 (b) Provide to the consumer reporting agency:

29 (i) In the case of a request by the protected consumer:

30 (A) Proof that the sufficient proof of authority for the
31 protected consumer's representative to act on behalf of the protected
32 consumer is no longer valid; and

33 (B) Sufficient proof of identification of the protected consumer;

34 (ii) In the case of a request by the representative of a
35 protected consumer:

36 (A) Sufficient proof of identification of the protected consumer
37 and the representative; and

38 (B) Sufficient proof of authority to act on behalf of the
39 protected consumer; and

1 (iii) In any case, pay to the consumer reporting agency a fee as
2 provided in this section.

3 (7) Within thirty days after receiving a request that meets the
4 requirements of subsection (6) of this section, the consumer
5 reporting agency shall remove the security freeze for the protected
6 consumer.

7 (8)(a) Except as provided in (b) of this subsection, a consumer
8 reporting agency may not charge a fee for any service performed under
9 this section, or for:

10 (i) One security freeze placement, temporary lift of the freeze,
11 and removal of the freeze per consumer per calendar year at each
12 consumer reporting agency;

13 (ii) Up to three security freeze placements, temporary lifts, and
14 removals of the freeze per consumer per calendar year at each credit
15 reporting agency for victims of identity theft or consumers that
16 provide documentation which shows their personal or financial
17 information has been compromised as part of a security breach; and

18 (iii) Persons age sixty-five years old or older.

19 (b) A consumer reporting agency may charge a reasonable fee, not
20 exceeding ten dollars, for each placement or removal of a security
21 freeze for a protected consumer.

22 (c) A consumer reporting agency may not charge any fee under this
23 section if:

24 (i) The protected consumer's representative:

25 (A) Has obtained a report from a federal, state, county, or local
26 law enforcement alleging identity theft in violation of RCW 9.35.020
27 against the protected consumer; and

28 (B) Provides a copy of the report to the consumer reporting
29 agency; or

30 (ii)(A) A request for the placement or removal of a security
31 freeze is for a protected consumer who is under the age of sixteen
32 years at the time of the request; and

33 (B) The consumer reporting agency has a consumer report
34 pertaining to the protected consumer.

35 (9) A consumer reporting agency may remove a security freeze for
36 a protected consumer or delete a record of a protected consumer if
37 the security freeze was placed or the record was created based on a
38 material misrepresentation of fact by the protected consumer or the
39 protected consumer's representative.

1 (10) A violation of this section is enforced in accordance with
2 RCW 19.182.170(17).
3 (11) This section does not apply to:
4 (a) Persons or transactions described in RCW 19.182.170(14)(b),
5 (c), (d), (e), (f), (h), or (i);
6 (b) Persons or transactions described in RCW 19.182.190;
7 (c) Persons or transactions described in RCW 19.182.200; or
8 (d) A person or entity that maintains, or a database used solely
9 for, the following:
10 (i) Criminal record information;
11 (ii) Personal loss history information;
12 (iii) Fraud prevention or detection;
13 (iv) Employment screening; or
14 (v) Tenant screening.

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