



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-4353/1
KP:kjf

2017 SENATE BILL 462

October 18, 2017 - Introduced by Senators TESTIN, RISSER, COWLES, LARSON, WANGGAARD, NASS, RINGHAND and DARLING, cosponsored by Representatives OTT, SNYDER, C. TAYLOR, ROHRKASTE, DOYLE, JAGLER, ANDERSON, BERCEAU, TUSLER, BROSTOFF, BORN, KOLSTE, DUCHOW, HORLACHER, CROWLEY, EDMING, FELZKOWSKI, POPE, KUGLITSCH, SPREITZER, E. BROOKS, MACCO and SUBECK. Referred to Committee on Government Operations, Technology and Consumer Protection.

1 **AN ACT to repeal** 100.54 (2) (a) 3., 100.54 (4) (a) 4., 100.54 (6) (a) 3., 100.54 (9)
2 (b), 100.545 (3) (a) 4., 100.545 (4) (a) 3., 100.545 (5) (b) and 100.545 (5) (c); **to**
3 **renumber and amend** 100.54 (9) (a) and 100.545 (5) (a); and **to amend** 100.54
4 (2) (b) (intro.), 100.54 (4) (b), 100.54 (6) (b), 100.54 (9) (title), 100.54 (11) and
5 100.545 (5) (title) of the statutes; **relating to:** fees related to security freezes
6 on consumer credit reports.

Analysis by the Legislative Reference Bureau

This bill prohibits a credit reporting agency from charging a fee for any of the following: 1) a request made by a person to place a security freeze on the person's consumer credit report; 2) a request made by an authorized representative to place a security freeze on the consumer credit report of a person who is under the age of 16 or for whom a guardian or conservator has been appointed; 3) an authorization made by a person to release a consumer credit report despite a security freeze; 4) a request made by a person to remove a security freeze from the person's consumer credit report; and 5) a request made by an authorized representative to remove a security freeze from the consumer credit report of a person who is under the age of 16 years or for whom a guardian or conservator has been appointed. Under current law, a security freeze on a person's consumer credit report prohibits a credit reporting agency from releasing the consumer credit report for any purpose related to the extension of credit without prior authorization.

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Current law generally permits a credit reporting agency to charge a fee of up to \$10 for each request to place a security freeze on a consumer credit report, for each authorization to release a consumer credit report despite a security freeze, and for each request to remove a security freeze from a consumer credit report, except that no fee may be charged for requests concerning the consumer credit report of a person who is the victim of alleged unauthorized use of personal identifying information or documents.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 100.54 (2) (a) 3. of the statutes is repealed.

2 **SECTION 2.** 100.54 (2) (b) (intro.) of the statutes is amended to read:

3 100.54 (2) (b) (intro.) No later than 5 business days after an individual satisfies
4 the requirements under par. (a) ~~1. to 3.~~, a consumer reporting agency shall include
5 a security freeze with the individual's consumer report. No later than 10 business
6 days after including the security freeze with the consumer report, the consumer
7 reporting agency shall send the individual a notice that does all of the following:

8 **SECTION 3.** 100.54 (4) (a) 4. of the statutes is repealed.

9 **SECTION 4.** 100.54 (4) (b) of the statutes is amended to read:

10 100.54 (4) (b) If an individual satisfies the requirements under par. (a) ~~1. to 4.~~,
11 the consumer reporting agency shall release the individual consumer report during
12 the time period specified by the individual, except that a consumer reporting agency
13 is not required to release a consumer report sooner than 3 business days after the
14 individual contacts the consumer reporting agency under par. (a) 1. A consumer
15 reporting agency may establish procedures for releasing consumer reports sooner
16 than 3 business days for individuals who satisfy the requirements under par. (a) ~~1.~~
17 ~~to 4.~~ by telephone, facsimile, or the Internet, or by use of other electronic media.

18 **SECTION 5.** 100.54 (6) (a) 3. of the statutes is repealed.

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1 **SECTION 6.** 100.54 (6) (b) of the statutes is amended to read:

2 100.54 **(6)** (b) If an individual requests removal of a security freeze under par.
3 (a), the consumer reporting agency shall remove the security freeze from the
4 individual's consumer report no later than 3 business days after the individual
5 satisfies the requirements under par. (a) ~~1. to 3.~~ and the consumer reporting agency's
6 release of the report is no longer subject to this section.

7 **SECTION 7.** 100.54 (9) (title) of the statutes is amended to read:

8 100.54 **(9)** (title) ~~FEES~~ FEE PROHIBITED.

9 **SECTION 8.** 100.54 (9) (a) of the statutes is renumbered 100.54 (9) and amended
10 to read:

11 100.54 **(9)** ~~Except as provided in par. (b), a~~ A consumer reporting agency may
12 not charge an individual a fee of ~~no more than \$10 each time that the individual~~
13 ~~requests~~ for requesting a security freeze under sub. (2), ~~authorizes~~ authorizing
14 release of a consumer report under sub. (4), or ~~requests~~ requesting removal of a
15 security freeze under sub. (6).

16 **SECTION 9.** 100.54 (9) (b) of the statutes is repealed.

17 **SECTION 10.** 100.54 (11) of the statutes is amended to read:

18 100.54 **(11)** NOTICES. Whenever a consumer reporting agency is required to
19 provide an individual with a notice under 15 USC 1681g regarding consumer rights
20 under the federal credit reporting law, the consumer reporting agency shall also
21 provide the individual with the following notice:

22 “Wisconsin Consumers Have the Right to Obtain a Security Freeze.

23 You have a right to include a “security freeze” with your credit report, which will
24 prohibit a consumer reporting agency from releasing information in your credit
25 report in connection with a credit transaction without your express authorization.

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1 A security freeze must be requested in writing by certified mail or by any other means
2 provided by a consumer reporting agency, and a consumer reporting agency may not
3 charge a fee for requesting the placement or removal of a security freeze. The
4 security freeze is designed to prevent an extension of credit, such as a loan, from
5 being approved in your name without your consent. However, you should be aware
6 that using a security freeze to take control over who gets access to the personal and
7 financial information in your credit report may delay, interfere with, or prohibit the
8 timely approval of any subsequent request or application you make regarding a loan,
9 credit, mortgage, or Internet credit card transaction, including an extension of credit
10 at point of sale.

11 When you request a security freeze for your credit report, you will be provided
12 a personal identification number or password to use if you choose to remove the
13 security freeze from your credit report or authorize the release of your credit report
14 for a period of time after the security freeze is in place. To provide that authorization
15 you must contact the consumer reporting agency and provide all of the following:

- 16 (1) The personal identification number or password.
- 17 (2) Proper identification to verify your identity.
- 18 (3) The period of time for which the report shall be made available.
- 19 ~~(4) Payment of the appropriate fee.~~

20 A security freeze does not apply to a person or its affiliates, or collection
21 agencies acting on behalf of a person, with which you have an existing account, that
22 requests information in your credit report for the purposes of reviewing or collecting
23 the account. Reviewing the account includes activities related to account
24 maintenance, monitoring, credit line increases, and account upgrades and
25 enhancements.

