

As Introduced

**127th General Assembly
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S. B. No. 109

Senator Bocchieri

Cosponsors: Senators Miller, D., Mason, Cafaro

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A B I L L

To enact sections 1349.55 to 1349.60 of the Revised Code to allow a consumer to place a security freeze on the consumer's credit report. 1
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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1349.55, 1349.56, 1349.57, 1349.58, 1349.59, and 1349.60 of the Revised Code be enacted to read as follows: 4
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Sec. 1349.55. As used in sections 1349.55 to 1349.60 of the Revised Code: 7
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(A) "Consumer reporting agency" has the same meaning as in section 4712.01 of the Revised Code. 9
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(B) "Security freeze" means a notice placed in a consumer's credit report that prohibits a consumer reporting agency from releasing the consumer's credit report or information contained in the consumer's credit report without authorization from the consumer. 11
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Sec. 1349.56. (A) A consumer may request a consumer reporting agency to place a security freeze on the consumer's credit report. A consumer reporting agency shall not charge the consumer a fee 16
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for placing or removing a security freeze, or for temporarily 19
releasing a credit report from a security freeze. Except as 20
otherwise allowed under section 1349.59 of the Revised Code, once 21
a security freeze is in place, a consumer reporting agency shall 22
not release a consumer's credit report or information from a 23
consumer credit report to a third party without prior, express 24
authorization from the consumer. Nothing in this section prohibits 25
a consumer reporting agency from advising a third party that a 26
security freeze is in place with respect to a consumer's credit 27
report. 28

(B) A consumer who elects to place a security freeze on the 29
consumer's credit report shall send a request in writing to a 30
consumer reporting agency asking to have a security freeze placed 31
on the consumer's credit report. The consumer shall send the 32
request via certified mail. A consumer reporting agency shall 33
place a security freeze on a consumer's credit report not later 34
than seven days after the consumer reporting agency receives the 35
security freeze request. The consumer reporting agency shall send 36
the consumer written confirmation of the security freeze, a unique 37
personal identification number or password, and the written 38
disclosure described in division (C) of this section within 39
fourteen days after receiving the consumer's request. The consumer 40
reporting agency shall not assign the consumer's social security 41
number as the consumer's personal identification number. A 42
consumer may request to change the personal identification number 43
or password that the consumer reporting agency assigned by 44
submitting a written request to the consumer reporting agency that 45
includes the original personal identification number or password 46
assigned to the consumer and the desired personal identification 47
number or password. The consumer reporting agency shall change the 48
consumer's personal identification number or password to the 49
requested personal identification number or password not later 50

than seven days after the agency receives the consumer's request. 51

(C) A consumer reporting agency shall send to a consumer who 52
requests a security freeze a copy of the following statement 53
disclosing the consumer's rights: 54

"You have a right to place a security freeze on your credit 55
report that will prohibit a consumer reporting agency from 56
releasing any information concerning your credit report without 57
your express authorization. A security freeze must be requested in 58
writing by certified mail. The security freeze is designed to 59
prevent a consumer reporting agency from releasing your credit 60
report without your consent. However, you should be aware that 61
using a security freeze to limit access to the personal and 62
financial information in your credit report may delay, interfere 63
with, or prohibit the timely approval of any subsequent request or 64
application you make regarding a new loan, credit, mortgage, 65
insurance, government services or payments, rental housing, 66
employment, investment, license, cellular telephone, utilities, 67
digital signature, internet credit card transaction, or other 68
services, including an extension of credit at point of sale. When 69
you place a security freeze on your credit report, you will be 70
provided a personal identification number or password to use if 71
you choose to remove the security freeze from your credit report 72
or to authorize the temporary release of your credit report to a 73
specific person or for a specific time period after the security 74
freeze is in place. To provide that authorization, you must 75
contact the consumer reporting agency and provide all the 76
following: 77

(1) Sufficient identification to verify your identity. 78

(2) Your personal identification number or password provided 79
by the consumer reporting agency. 80

(3) A statement that you choose to remove the security freeze 81

from your credit report or that you authorize the reporting agency 82
to temporarily release your credit report. If you authorize the 83
temporary release of your credit report, you must specify the name 84
and address of the person who is to receive your credit report or 85
the period for which your credit report must be available. A 86
consumer reporting agency must remove the security freeze from 87
your credit or authorize the temporary release of your credit 88
report not later than three business days after receiving the 89
above information. A security freeze does not apply to certain 90
persons, including a person, or a collection agency acting on 91
behalf of a person, with whom you have an existing account that 92
requests information in your credit report for the purposes of 93
reviewing or collecting the account." 94

(D) In the event a third party requests access to a credit 95
report upon which a consumer reporting agency has placed a 96
security freeze, and the third party request is made in connection 97
with an application for credit or any other use, if the consumer 98
has not authorized the disclosure of the consumer's credit report 99
to the third party, the third party may consider the credit 100
application as incomplete. 101

(E) The placement of a security freeze on a consumer's credit 102
report shall not be considered an adverse factor in the consumer's 103
creditworthiness, credit standing, or credit capacity. 104

(F) After a security freeze has been placed on a consumer's 105
credit report, a consumer reporting agency shall not make changes 106
to the consumer's credit report concerning the consumer's name, 107
birth date, social security number, or address without sending 108
written confirmation of the change to the consumer within thirty 109
days after making the change. If the consumer reporting agency 110
changes the address of the consumer, the consumer reporting agency 111
shall send confirmation of the change to both the new address and 112
the old address. A consumer reporting agency is not required to 113

send written confirmation to the consumer concerning technical 114
corrections to the consumer's credit report, including but not 115
limited to, technical corrections involving the abbreviation of a 116
name or street, the transposition of numbers or letters, or 117
misspelling of a word. 118

Sec. 1349.57. (A) After a consumer reporting agency places a 119
security freeze on a consumer's credit report, if the consumer 120
wishes to authorize the temporary release of the consumer's credit 121
report to a third party or for a specific period of time, the 122
consumer shall contact the consumer reporting agency and provide 123
all of the following information: 124

(1) Proper identification; 125

(2) The personal identification number or password assigned 126
to the consumer as required under section 1349.56 of the Revised 127
Code; 128

(3) The name and address of the third party who is to receive 129
the consumer's credit report or the time period for which the 130
consumer's credit report shall be available. 131

(B) A consumer reporting agency that receives a request from 132
a consumer to release the consumer's credit report to a third 133
party shall release the credit report to the third party 134
immediately after the consumer reporting agency receives the 135
request. A consumer reporting agency that receives a temporary 136
release request from a consumer to release the consumer's credit 137
report for a specific period of time shall release the credit 138
report for the time period requested. 139

(C) A consumer reporting agency may develop procedures to 140
receive and process a consumer's request to temporarily release a 141
consumer's credit report from a security freeze. The procedures 142
shall include, but are not limited to, the ability of a consumer 143

to send a request by electronic mail, letter, or facsimile. 144

Sec. 1349.58. (A) A security freeze placed on a consumer's credit report shall remain in effect until the consumer requests the freeze to be removed. To remove a security freeze, the consumer shall submit a request to remove the security freeze to the consumer reporting agency containing both of the following: 145
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(1) Proper identification; 150

(2) The personal identification number or password assigned to the consumer as required under section 1349.56 of the Revised Code. 151
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(B) A consumer reporting agency shall remove the security freeze within five days after receiving a consumer's request that satisfies the requirements of division (A) of this section. 154
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Sec. 1349.59. A consumer reporting agency may release a consumer credit report on which a security freeze has been placed to the following entities: 157
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(A) A subsidiary, affiliate, agent, assignee, or prospective assignee of a third party to whom access has been granted pursuant to section 1349.57 of the Revised Code for the purpose of facilitating the extension of credit. 160
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(B)(1) A person with whom the consumer has or prior to an assignment had a contract or an account, including a demand deposit account, or to whom the consumer issued a negotiable instrument, for the purpose of allowing the person to review the account or collect the financial obligation owed for the account, contract, or negotiable instrument. 164
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(2) A subsidiary, affiliate, or agent of a person described in division (B)(1) of this section; an assignee of a financial obligation that a consumer owes to a person described in division 170
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(B)(1) of this section; or a prospective assignee of a financial obligation that the consumer owes to a person described in division (B)(1) of this section in conjunction with a proposed purchase of a financial obligation, for the purpose of allowing the entity to review the account or collect the financial obligation owed for an account, contract, or negotiable instrument. 173
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For the purposes of division (B) of this section, "review the account" includes activities related to maintaining, monitoring, upgrading, and enhancing the account and increasing credit lines. 180
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(C) A person seeking to use the information contained in a consumer's credit report for the purpose of prescreening pursuant to the federal "Fair Credit Reporting Act," 15 U.S.C. 1681, et seq. 183
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(D) Any person administering a credit report monitoring subscription service to which the consumer has subscribed. 187
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(E) Any person for the purpose of providing a consumer with a copy of the consumer's credit report upon the consumer's request. 189
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(F) Any federal, state, or local governmental entity, agency, or instrumentality that is acting within the entity's, agency's, or instrumentality's authority. 191
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(G) A state or local government agency, law enforcement agency, court, or private collection agency acting pursuant to a court order, warrant, or subpoena. 194
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(H) A child support enforcement agency acting pursuant to Chapter 3121. of the Revised Code or Title IV-D of the "Social Security Act," 42 U.S.C. 651, et seq. 197
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Sec. 1349.60. (A) A consumer reporting agency may refuse to implement a security freeze or may remove a security freeze if the consumer reporting agency, in good faith, believes either of the 200
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<u>following has occurred:</u>	203
<u>(1) The request for a security freeze was made as part of a</u>	204
<u>fraud in which the consumer participated or of which the consumer</u>	205
<u>had knowledge;</u>	206
<u>(2) The security freeze was placed on a consumer's credit</u>	207
<u>report based on a misrepresentation of the consumer.</u>	208
<u>(B) In the event a consumer reporting agency refuses to</u>	209
<u>implement a security freeze or removes a security freeze for a</u>	210
<u>reason specified in division (A) of this section, the consumer</u>	211
<u>reporting agency promptly shall notify the consumer in writing of</u>	212
<u>the refusal to place a security freeze on a consumer's credit</u>	213
<u>report or the removal of a security freeze not later than seven</u>	214
<u>days after the refusal or removal.</u>	215