

# HOUSE BILL 117

I3

(71r0761)

## **ENROLLED BILL**

— *Economic Matters / Finance* —

Introduced by **Delegates Lee, Rudolph, Goldwater, Ali, Anderson, Aumann, Barkley, Bobo, Bronrott, Dumais, Frank, Gaines, Gilchrist, Harrison, Hecht, Howard, Hucker, Impallaria, Ivey, James, Kach, Kaiser, Kirk, Krysiak, Kullen, Lawton, Manno, McDonough, Montgomery, Nathan-Pulliam, Niemann, O'Donnell, Rice, Shank, Shewell, Simmons, Smigiel, Stifler, Stocksdale, Stukes, Taylor, F. Turner, Valderrama, Vallario, Vaughn, ~~and Waldstreicher~~ Waldstreicher, Braveboy, Burns, Davis, Haddaway, Love, Jameson, J. King, Mathias, McHale, Minnick, Walkup, Holmes, Costa, Dwyer, Eckardt, Elliott, Elmore, George, and Sossi**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Consumer Protection – Consumer Reporting Agencies – Consumer Reports –**  
3 **Security Freezes**

---

### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber / conference committee amendments.*



1 FOR the purpose of authorizing a consumer to elect to place a security freeze on the  
 2 consumer's consumer report; establishing procedures for requesting a security  
 3 freeze; requiring a consumer reporting agency to place a security freeze on a  
 4 consumer's consumer report within certain time periods after certain requests  
 5 are received *in certain manners* and to take certain actions within a certain  
 6 number of business days after placing a security freeze on a consumer's  
 7 consumer report; *establishing an exception for a certain consumer reporting*  
 8 *agency to the requirement to place a security freeze on a consumer report;*  
 9 providing that while a security freeze is in place, a consumer reporting agency  
 10 may not ~~provide~~ *release a consumer's consumer report or* any information ~~in~~  
 11 *derived from* a consumer's consumer report without certain authorization of the  
 12 consumer; ~~requiring a consumer reporting agency to give certain notice to a~~  
 13 ~~consumer if any person requests access to a consumer's consumer report under~~  
 14 ~~certain circumstances;~~ establishing procedures for requesting a security freeze  
 15 to be lifted temporarily or removed; requiring a consumer reporting agency to  
 16 temporarily lift or remove a security freeze within a certain ~~number of business~~  
 17 ~~days~~ *time periods* after receiving a request from a consumer; *requiring a*  
 18 *consumer reporting agency to temporarily lift a security freeze within a certain*  
 19 *number of minutes after receiving a request from a consumer after a certain*  
 20 *date and under certain circumstances, with certain exceptions; authorizing a*  
 21 *consumer reporting agency to develop certain procedures on or before a certain*  
 22 *date; prohibiting a consumer reporting agency from charging a consumer for*  
 23 *any service relating to a security freeze, subject to certain exceptions*  
 24 *establishing certain maximum fees for certain services relating to a security*  
 25 *freeze; prohibiting the charging of fees by a consumer reporting agency to a*  
 26 *consumer who presents certain documentation to the consumer reporting agency;*  
 27 requiring a consumer reporting agency to give certain notices to a consumer at  
 28 certain times; *providing that the exclusive remedy for a violation of a certain*  
 29 *provision of this Act is to file a certain complaint with the Commissioner of*  
 30 *Financial Regulation; authorizing a consumer who is affected by a violation of*  
 31 ~~certain provisions of this Act to bring a certain action; establishing certain~~  
 32 ~~penalties;~~ providing for the application of this Act; defining certain terms;  
 33 providing for a delayed effective date; and generally relating to consumer  
 34 reporting agencies and security freezes on consumer reports.

35 ~~BY repealing and reenacting, with amendments,~~  
 36 ~~Article — Commercial Law~~  
 37 ~~Section 14-1202(a)~~  
 38 ~~Annotated Code of Maryland~~  
 39 ~~(2005 Replacement Volume and 2006 Supplement)~~

40 BY adding to

1 Article – Commercial Law  
2 Section ~~14-1202.1~~ 14-1212.1  
3 Annotated Code of Maryland  
4 (2005 Replacement Volume and 2006 Supplement)

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

7 **Article – Commercial Law**

8 ~~14-1202.~~

9 ~~(a) Subject to subsection (b) of this section and [§ 14-1205] §§ 14-1202.1~~  
10 ~~AND 14-1205 of this subtitle, a consumer reporting agency may furnish a consumer~~  
11 ~~report under the following circumstances and no other:~~

12 ~~(1) In response to the order of a court having jurisdiction to issue the~~  
13 ~~order;~~

14 ~~(2) In accordance with the written instructions of the consumer to~~  
15 ~~whom it relates; or~~

16 ~~(3) To a person which the agency has reason to believe:~~

17 ~~(i) Intends to use the information in connection with a credit~~  
18 ~~transaction involving the consumer on whom the information is to be furnished and~~  
19 ~~involving the extension of credit to, or review or collection of an account of, the~~  
20 ~~consumer;~~

21 ~~(ii) Intends to use the information for employment purposes;~~

22 ~~(iii) Intends to use the information in connection with the~~  
23 ~~underwriting of insurance involving the consumer;~~

24 ~~(iv) Intends to use the information in connection with a~~  
25 ~~determination of the consumer's eligibility for a license or other benefit granted by a~~  
26 ~~governmental instrumentality required by law to consider an applicant's financial~~  
27 ~~responsibility or status; or~~

28 ~~(v) Otherwise has a legitimate business need for the~~  
29 ~~information in connection with a business transaction involving the consumer.~~

1 ~~14-1202.1.~~

2 14-1212.1.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
4 MEANINGS INDICATED.

5 (2) "ACCOUNT REVIEW" INCLUDES ACTIVITIES RELATED TO  
6 ACCOUNT MAINTENANCE, ACCOUNT MONITORING, CREDIT LINE INCREASES,  
7 AND ACCOUNT UPGRADES AND ENHANCEMENTS.

8 (3) "SECURITY FREEZE" MEANS A RESTRICTION PLACED ON A  
9 CONSUMER'S CONSUMER REPORT AT THE REQUEST OF THE CONSUMER THAT  
10 PROHIBITS A CONSUMER REPORTING AGENCY FROM RELEASING THE  
11 CONSUMER'S CONSUMER REPORT OR ANY INFORMATION DERIVED FROM THE  
12 CONSUMER'S CONSUMER REPORT WITHOUT THE EXPRESS AUTHORIZATION OF  
13 THE CONSUMER.

14 (B) (1) THIS SECTION DOES NOT APPLY TO THE USE OF A  
15 CONSUMER'S CONSUMER REPORT BY:

16 ~~(1)~~ (I) A PERSON, OR A SUBSIDIARY, AFFILIATE, AGENT, OR  
17 ASSIGNEE OF THE PERSON, WITH WHICH THE CONSUMER HAS, OR PRIOR TO  
18 ASSIGNMENT HAD, AN ACCOUNT, CONTRACT, OR DEBTOR-CREDITOR  
19 RELATIONSHIP, FOR THE PURPOSE OF ACCOUNT REVIEW OR COLLECTING THE  
20 FINANCIAL OBLIGATION OWING FOR THE ACCOUNT, CONTRACT, OR DEBT;

21 ~~(2)~~ (II) A PERSON THAT WAS GIVEN ACCESS TO THE  
22 CONSUMER'S CONSUMER REPORT UNDER SUBSECTION (E) OF THIS SECTION  
23 FOR THE PURPOSE OF FACILITATING AN EXTENSION OF CREDIT TO THE  
24 CONSUMER OR ANOTHER PERMISSIBLE USE;

25 ~~(3)~~ (III) A PERSON ACTING IN ACCORDANCE WITH A COURT  
26 ORDER, WARRANT, OR SUBPOENA;

27 ~~(4)~~ (IV) A UNIT OF STATE OR LOCAL GOVERNMENT THAT  
28 ADMINISTERS A PROGRAM FOR ESTABLISHING AND ENFORCING CHILD  
29 SUPPORT OBLIGATIONS;

1           ~~(5)~~ (V)       **THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE**  
 2 **IN CONNECTION WITH A FRAUD INVESTIGATION CONDUCTED BY THE**  
 3 **DEPARTMENT;**

4           ~~(6)~~ (VI)       **THE STATE DEPARTMENT OF ASSESSMENTS AND**  
 5 **TAXATION, THE COMPTROLLER, OR ANY OTHER STATE OR LOCAL TAXING**  
 6 **AUTHORITY IN CONNECTION WITH:**

7                   ~~(H)~~ 1.       **AN INVESTIGATION CONDUCTED BY THE**  
 8 **DEPARTMENT, COMPTROLLER, OR TAXING AUTHORITY;**

9                   ~~(H)~~ 2.       **THE COLLECTION OF DELINQUENT TAXES OR**  
 10 **UNPAID COURT ORDERS BY THE DEPARTMENT, COMPTROLLER, OR TAXING**  
 11 **AUTHORITY; OR**

12                   ~~(H)~~ 3.       **THE PERFORMANCE OF ANY OTHER DUTY**  
 13 **PROVIDED FOR BY LAW;**

14           ~~(7)~~ (VII)       **A PERSON FOR THE PURPOSE OF PRESCREENING, AS**  
 15 **DEFINED BY THE FEDERAL FAIR CREDIT REPORTING ACT;**

16           ~~(8)~~ (VIII)       **A PERSON ADMINISTERING A CREDIT FILE MONITORING**  
 17 **SUBSCRIPTION SERVICE TO WHICH THE CONSUMER HAS SUBSCRIBED; ~~OR~~**

18           ~~(9)~~ (IX)       **A PERSON PROVIDING A CONSUMER WITH A COPY OF**  
 19 **THE CONSUMER'S CONSUMER REPORT ON REQUEST OF THE CONSUMER; OR**

20           ~~(10)~~ (X)       **TO THE EXTENT NOT PROHIBITED BY OTHER STATE**  
 21 **LAW, A PERSON ONLY FOR THE PURPOSE OF SETTING OR ADJUSTING AN**  
 22 **INSURANCE RATE, ADJUSTING AN INSURANCE CLAIM, OR UNDERWRITING AN**  
 23 **INSURANCE RISK.**

24           **(2) THIS SECTION DOES NOT APPLY TO:**

25                   **(1) A CHECK SERVICES OR FRAUD PREVENTION SERVICES**  
 26 **COMPANY THAT ISSUES:**

27                   **1. REPORTS ON INCIDENTS OF FRAUD; OR**

1                                   **2. AUTHORIZATIONS FOR THE PURPOSE OF**  
2 **APPROVING OR PROCESSING NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS**  
3 **TRANSFERS, OR SIMILAR PAYMENT METHODS;**

4                                   **(II) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY**  
5 **THAT ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,**  
6 **SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR SIMILAR**  
7 **NEGATIVE INFORMATION REGARDING A CONSUMER TO INQUIRING BANKS OR**  
8 **OTHER FINANCIAL INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER**  
9 **REQUEST FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL**  
10 **INSTITUTION; OR**

11                                   **(III) A CONSUMER REPORTING AGENCY DATABASE OR FILE**  
12 **THAT CONSISTS ENTIRELY OF CONSUMER INFORMATION CONCERNING, AND**  
13 **USED SOLELY FOR:**

14                                   **1. CRIMINAL RECORD INFORMATION;**

15                                   **2. PERSONAL LOSS HISTORY INFORMATION;**

16                                   **3. FRAUD PREVENTION OR DETECTION;**

17                                   **4. EMPLOYMENT SCREENING; OR**

18                                   **5. TENANT SCREENING.**

19                   (c) (1) A CONSUMER MAY ELECT TO PLACE A SECURITY FREEZE ON  
20 THE CONSUMER'S CONSUMER REPORT BY:

21                                   **(I) WRITTEN REQUEST SENT BY CERTIFIED MAIL;**

22                                   **(II) ~~TELEPHONE SUBJECT~~ BEGINNING JANUARY 1, 2010,**  
23 **SUBJECT TO PARAGRAPH ~~(5)~~ (6) OF THIS SUBSECTION, TELEPHONE, BY**  
24 **PROVIDING CERTAIN PERSONAL INFORMATION THAT THE CONSUMER**  
25 **REPORTING AGENCY MAY REQUIRE TO VERIFY THE IDENTITY OF THE**  
26 **CONSUMER;**

27                                   **(III) ELECTRONIC MAIL USING AN ELECTRONIC POSTMARK**  
28 **IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE BY THE**  
29 **CONSUMER REPORTING AGENCY; OR**

1 (IV) IF THE CONSUMER REPORTING AGENCY MAKES A  
2 SECURE CONNECTION AVAILABLE ON ITS WEBSITE, AN ELECTRONIC REQUEST  
3 THROUGH THAT SECURE CONNECTION.

4 (2) A CONSUMER REPORTING AGENCY SHALL REQUIRE A  
5 CONSUMER TO PROVIDE PROPER ~~IDENTIFICATION~~ IDENTIFYING INFORMATION  
6 WHEN REQUESTING A SECURITY FREEZE.

7 (3) ~~A~~ EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS  
8 SUBSECTION, A CONSUMER REPORTING AGENCY SHALL PLACE A SECURITY  
9 FREEZE ON A CONSUMER'S CONSUMER REPORT ~~WITHIN~~:

10 (I) BEFORE JULY 1, 2008, WITHIN 5 BUSINESS DAYS AFTER  
11 RECEIVING A ~~WRITTEN OR TELEPHONE~~ REQUEST UNDER PARAGRAPH (1) OF  
12 THIS SUBSECTION; OR

13 (II) ON OR AFTER JULY 1, 2008, WITHIN 3 BUSINESS DAYS  
14 AFTER RECEIVING ~~AN ELECTRONIC MAIL~~ A REQUEST MADE BY ELECTRONIC  
15 MAIL OR BY SECURE CONNECTION ON THE WEBSITE OF THE CONSUMER  
16 REPORTING AGENCY UNDER PARAGRAPH (1) OF THIS SUBSECTION.

17 (4) WITHIN 5 BUSINESS DAYS AFTER PLACING A SECURITY  
18 FREEZE ON A CONSUMER'S CONSUMER REPORT, THE CONSUMER REPORTING  
19 AGENCY SHALL:

20 (I) SEND A WRITTEN CONFIRMATION OF THE SECURITY  
21 FREEZE TO THE CONSUMER;

22 (II) PROVIDE THE CONSUMER WITH A UNIQUE PERSONAL  
23 IDENTIFICATION NUMBER OR PASSWORD TO BE USED BY THE CONSUMER WHEN  
24 AUTHORIZING THE RELEASE OF THE CONSUMER'S CONSUMER REPORT TO A  
25 SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF TIME; AND

26 (III) PROVIDE THE CONSUMER WITH A WRITTEN STATEMENT  
27 OF THE PROCEDURES FOR REQUESTING THE CONSUMER REPORTING AGENCY  
28 TO REMOVE OR TEMPORARILY LIFT A SECURITY FREEZE.

1           **(5) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**  
2 **A CONSUMER REPORTING AGENCY IS NOT REQUIRED TO PLACE A SECURITY**  
3 **FREEZE ON A CONSUMER REPORT IF THE CONSUMER REPORTING AGENCY:**

4                   **1. ACTS ONLY AS A RESELLER OF CREDIT**  
5 **INFORMATION BY ASSEMBLING AND MERGING INFORMATION CONTAINED IN A**  
6 **DATABASE OF ANOTHER CONSUMER REPORTING AGENCY OR MULTIPLE**  
7 **CONSUMER REPORTING AGENCIES; AND**

8                   **2. DOES NOT MAINTAIN A PERMANENT DATABASE OF**  
9 **CREDIT INFORMATION FROM WHICH NEW CONSUMER REPORTS ARE PRODUCED.**

10                   **(II) A CONSUMER REPORTING AGENCY THAT ACTS AS A**  
11 **RESELLER OF CREDIT INFORMATION SHALL HONOR A SECURITY FREEZE PLACED**  
12 **ON A CONSUMER REPORT BY ANOTHER CONSUMER REPORTING AGENCY.**

13                   **(5) (6) (I) IF A CONSUMER REQUESTS PLACEMENT OF A SECURITY**  
14 **FREEZE BY TELEPHONE UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE**  
15 **CONSUMER REPORTING AGENCY MAY REQUIRE THE CONSUMER TO CONFIRM**  
16 **THE REQUEST IN WRITING ON A FORM THAT THE CONSUMER REPORTING**  
17 **AGENCY PROVIDES TO THE CONSUMER WITH THE MATERIALS SENT IN**  
18 **ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION.**

19                   **(II) IF THE CONSUMER FAILS TO RETURN WRITTEN**  
20 **CONFIRMATION THAT THE CONSUMER REPORTING AGENCY REQUIRES UNDER**  
21 **SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE CONSUMER REPORTING AGENCY**  
22 **MAY REMOVE THE SECURITY FREEZE IN ACCORDANCE WITH SUBSECTION (G)(2)**  
23 **OF THIS SECTION.**

24                   **(D) (1) WHILE A SECURITY FREEZE IS IN PLACE, A CONSUMER**  
25 **REPORTING AGENCY MAY NOT ~~PROVIDE~~ RELEASE A CONSUMER'S CONSUMER**  
26 **REPORT OR ANY INFORMATION ~~IN~~ DERIVED FROM A CONSUMER'S CONSUMER**  
27 **REPORT WITHOUT THE EXPRESS PRIOR AUTHORIZATION OF THE CONSUMER.**

28                   **(2) A CONSUMER REPORTING AGENCY MAY ADVISE A PERSON**  
29 **THAT A SECURITY FREEZE IS IN EFFECT WITH RESPECT TO A CONSUMER'S**  
30 **CONSUMER REPORT.**

31                   **(3) A CONSUMER REPORTING AGENCY MAY NOT STATE OR IMPLY**  
32 **TO ANY PERSON THAT A SECURITY FREEZE ON A CONSUMER'S CONSUMER**



1 REPORT REFLECTS A NEGATIVE CREDIT SCORE, CREDIT HISTORY, OR CREDIT  
2 RATING.

3 ~~(4) (i) IF ANY PERSON REQUESTS ACCESS TO A CONSUMER'S~~  
4 ~~CONSUMER REPORT WHILE A SECURITY FREEZE IS IN PLACE FOR A PURPOSE~~  
5 ~~OTHER THAN A PURPOSE ALLOWED UNDER THIS SECTION, THE CONSUMER~~  
6 ~~REPORTING AGENCY SHALL NOTIFY THE CONSUMER THAT AN ATTEMPT HAS~~  
7 ~~BEEN MADE TO ACCESS THE CONSUMER'S CONSUMER REPORT.~~

8 ~~(ii) THE NOTICE SHALL STATE THE IDENTITY OF THE~~  
9 ~~PERSON REQUESTING ACCESS TO THE CONSUMER'S CONSUMER REPORT AND~~  
10 ~~THE PURPOSE OF THE REQUEST.~~

11 (E) (1) IF A CONSUMER WANTS TO TEMPORARILY LIFT A SECURITY  
12 FREEZE TO ALLOW THE CONSUMER'S CONSUMER REPORT TO BE ACCESSED BY A  
13 SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF TIME WHILE A SECURITY  
14 FREEZE IS IN PLACE, THE CONSUMER SHALL:

15 (I) CONTACT THE CONSUMER REPORTING AGENCY BY:

16 1. ~~CERTIFIED MAIL~~ MAIL IN THE MANNER  
17 PRESCRIBED BY THE CONSUMER REPORTING AGENCY;

18 2. TELEPHONE IN THE MANNER PRESCRIBED BY THE  
19 CONSUMER REPORTING AGENCY;

20 3. ELECTRONIC MAIL USING AN ELECTRONIC  
21 POSTMARK IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE  
22 TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY; OR

23 4. ELECTRONIC REQUEST IF A SECURE CONNECTION  
24 IS MADE AVAILABLE ON THE WEBSITE OF THE CONSUMER REPORTING AGENCY;

25 (II) REQUEST THAT THE SECURITY FREEZE BE  
26 TEMPORARILY LIFTED; AND

27 (III) PROVIDE THE FOLLOWING TO THE CONSUMER  
28 REPORTING AGENCY:

1                                    1.    PROPER    ~~IDENTIFICATION~~    IDENTIFYING  
2 INFORMATION;

3                                    2.    THE    UNIQUE    PERSONAL    IDENTIFICATION  
4 NUMBER OR PASSWORD PROVIDED TO THE CONSUMER UNDER SUBSECTION  
5 (C)(4)(II) OF THIS SECTION; AND

6                                    3.    THE PROPER INFORMATION REGARDING THE  
7 PERSON THAT IS TO RECEIVE THE CONSUMER REPORT OR THE TIME PERIOD  
8 DURING WHICH THE CONSUMER REPORT IS TO BE AVAILABLE TO USERS OF THE  
9 CONSUMER REPORT.

10                                    (2)    ~~A (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OR (IV)~~  
11 OF THIS PARAGRAPH, A CONSUMER REPORTING AGENCY SHALL COMPLY WITH A  
12 REQUEST MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 5 3  
13 BUSINESS DAYS AFTER RECEIVING THE REQUEST.

14                                    (II)    1.    AFTER JANUARY 31, 2009, A CONSUMER  
15 REPORTING AGENCY SHALL COMPLY WITH A REQUEST MADE UNDER  
16 PARAGRAPH (1) OF THIS SUBSECTION WITHIN 15 MINUTES AFTER THE  
17 CONSUMER'S REQUEST IS RECEIVED BY THE CONSUMER REPORTING AGENCY IF  
18 THE REQUEST IS:

19                                    ~~1.~~    MADE MADE BY TELEPHONE, BY ELECTRONIC  
20 MAIL, OR BY SECURE CONNECTION ON THE WEBSITE OF THE CONSUMER  
21 REPORTING AGENCY; AND.

22                                    ~~2.~~    RECEIVED BY THE CONSUMER REPORTING  
23 AGENCY DURING NORMAL BUSINESS HOURS.

24                                    (III)    ~~A CONSUMER REPORTING AGENCY IS NOT REQUIRED TO~~  
25 TEMPORARILY LIFT A SECURITY FREEZE WITHIN 15 MINUTES UNDER  
26 SUBPARAGRAPH (II) OF THIS PARAGRAPH IF:

27                                    ~~1.~~    THE CONSUMER FAILS TO COMPLY WITH  
28 PARAGRAPH (1)(III) OF THIS SUBSECTION; OR

29                                    ~~2.~~    THE CONSUMER REPORTING AGENCY'S ABILITY  
30 TO TEMPORARILY LIFT THE SECURITY FREEZE WITHIN 15 MINUTES IS  
31 PREVENTED BY:

1 ~~A. AN ACT OF GOD, INCLUDING FIRE, EARTHQUAKE,~~  
 2 ~~HURRICANE, STORM, OR SIMILAR NATURAL DISASTER OR PHENOMENON;~~

3 ~~B. AN UNAUTHORIZED OR ILLEGAL ACT BY A THIRD~~  
 4 ~~PARTY, INCLUDING TERRORISM, SABOTAGE, RIOT, VANDALISM, LABOR STRIKE~~  
 5 ~~OR DISPUTE THAT DISRUPTS OPERATIONS, OR SIMILAR OCCURRENCE;~~

6 ~~C. A DISRUPTION OF OPERATIONS CAUSED BY~~  
 7 ~~ELECTRICAL FAILURE, UNANTICIPATED DELAY IN EQUIPMENT OR~~  
 8 ~~REPLACEMENT PART DELIVERY, COMPUTER HARDWARE OR SOFTWARE FAILURE~~  
 9 ~~INHIBITING RESPONSE TIME, OR SIMILAR DISRUPTION;~~

10 ~~D. A GOVERNMENTAL ACTION, INCLUDING~~  
 11 ~~EMERGENCY ORDER OR JUDICIAL OR LAW ENFORCEMENT ACTION;~~

12 ~~E. A REGULARLY SCHEDULED MAINTENANCE OF, OR~~  
 13 ~~UPDATE TO, THE CONSUMER REPORTING AGENCY'S CONSUMER REPORTING~~  
 14 ~~SYSTEM THAT OCCURS OTHER THAN DURING NORMAL BUSINESS HOURS; OR~~

15 ~~F. A COMMERCIALY REASONABLE MAINTENANCE~~  
 16 ~~OF, OR REPAIR TO, THE CONSUMER REPORTING AGENCY'S CONSUMER~~  
 17 ~~REPORTING SYSTEM THAT IS UNEXPECTED OR UNSCHEDULED.~~

18 ~~(IV) 2. A CONSUMER REPORTING AGENCY THAT IS~~  
 19 ~~UNABLE TO TEMPORARILY LIFT A SECURITY FREEZE UNDER SUBPARAGRAPH~~  
 20 ~~(III) 2 SUBSUBPARAGRAPH 1 OF THIS PARAGRAPH SUBPARAGRAPH SHALL LIFT~~  
 21 ~~THE SECURITY FREEZE AS SOON AS IT IS AUTHORIZED OR OTHERWISE~~  
 22 ~~REASONABLY CAPABLE OF DOING SO.~~

23 (3) A CONSUMER REPORTING AGENCY MAY DEVELOP  
 24 PROCEDURES INVOLVING THE USE OF TELEPHONE, FACSIMILE, THE INTERNET,  
 25 ELECTRONIC MAIL, FACSIMILE OR OTHER ELECTRONIC MEDIA TO RECEIVE AND  
 26 PROCESS, IN AN EXPEDITED MANNER, A REQUEST FROM A CONSUMER TO  
 27 TEMPORARILY LIFT OR REMOVE A SECURITY FREEZE ON THE CONSUMER'S  
 28 CONSUMER REPORT.

29 (F) IF, IN CONNECTION WITH AN APPLICATION FOR CREDIT OR FOR ANY  
 30 OTHER USE, A PERSON REQUESTS ACCESS TO A CONSUMER'S CONSUMER  
 31 REPORT WHILE A SECURITY FREEZE IS IN PLACE AND THE CONSUMER DOES NOT

1 AUTHORIZE ACCESS TO THE CONSUMER'S CONSUMER REPORT, THE PERSON  
2 MAY TREAT THE APPLICATION AS INCOMPLETE.

3 (G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
4 SUBSECTION, A CONSUMER REPORTING AGENCY MAY REMOVE OR  
5 TEMPORARILY LIFT A SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER  
6 REPORT ONLY ON REQUEST OF THE CONSUMER MADE UNDER SUBSECTION (E)  
7 OR (H) OF THIS SECTION.

8 (2) (I) A CONSUMER REPORTING AGENCY MAY REMOVE A  
9 SECURITY FREEZE PLACED ON A CONSUMER'S CONSUMER REPORT IF:

10 1. ~~PLACEMENT~~ PLACEMENT OF THE SECURITY  
11 FREEZE WAS BASED ON A MATERIAL MISREPRESENTATION OF FACT BY THE  
12 CONSUMER; OR

13 2. THE CONSUMER:

14 A. MADE THE REQUEST TO PLACE THE SECURITY  
15 FREEZE BY TELEPHONE UNDER SUBSECTION (C)(1)(II) OF THIS SECTION; AND

16 B. FAILED TO CONFIRM THE REQUEST IN WRITING IF  
17 REQUIRED IN ACCORDANCE WITH SUBSECTION ~~(C)(5)~~ (C)(6) OF THIS SECTION.

18 (II) IF A CONSUMER REPORTING AGENCY INTENDS TO  
19 REMOVE A SECURITY FREEZE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH,  
20 THE CONSUMER REPORTING AGENCY SHALL NOTIFY THE CONSUMER IN  
21 WRITING OF ITS INTENT AT LEAST 5 BUSINESS DAYS BEFORE REMOVING THE  
22 SECURITY FREEZE.

23 (H) (1) SUBJECT TO SUBSECTION (G)(2) OF THIS SECTION, A  
24 SECURITY FREEZE SHALL REMAIN IN PLACE UNTIL THE CONSUMER REQUESTS  
25 THAT THE SECURITY FREEZE BE REMOVED.

26 ~~(2) A CONSUMER REQUESTING THAT A SECURITY FREEZE BE~~  
27 ~~REMOVED SHALL PROVIDE:~~

28 (2) IF A CONSUMER WANTS TO REMOVE A SECURITY FREEZE FROM  
29 THE CONSUMER'S CONSUMER REPORT, THE CONSUMER SHALL:

1                    **(I) CONTACT THE CONSUMER REPORTING AGENCY BY:**

2                    **1. MAIL IN THE MANNER PRESCRIBED BY THE**  
 3 **CONSUMER REPORTING AGENCY;**

4                    **2. TELEPHONE IN THE MANNER PRESCRIBED BY THE**  
 5 **CONSUMER REPORTING AGENCY;**

6                    **3. ELECTRONIC MAIL USING AN ELECTRONIC**  
 7 **POSTMARK IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE TO**  
 8 **THE CONSUMER BY THE CONSUMER REPORTING AGENCY; OR**

9                    **4. ELECTRONIC REQUEST IF A SECURE CONNECTION**  
 10 **IS MADE AVAILABLE ON THE WEBSITE OF THE CONSUMER REPORTING AGENCY;**

11                    **(II) REQUEST THAT THE SECURITY FREEZE BE REMOVED;**

12 **AND**

13                    **(III) PROVIDE THE FOLLOWING TO THE CONSUMER**  
 14 **REPORTING AGENCY:**

15                    **(~~I~~) 1. PROPER ~~IDENTIFICATION~~ IDENTIFYING INFORMATION;**

16 **AND**

17                    **(~~II~~) 2. THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR**  
 18 **PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY UNDER**  
 19 **SUBSECTION (C)(4)(II) OF THIS SECTION.**

20                    **(3) A CONSUMER REPORTING AGENCY SHALL REMOVE A**  
 21 **SECURITY FREEZE WITHIN 3 BUSINESS DAYS AFTER RECEIVING A REQUEST FOR**  
 22 **REMOVAL.**

23                    **(I) (1) EXCEPT AS PROVIDED IN ~~PARAGRAPHS (2) AND (3) OF THIS~~**  
 24 **~~SUBSECTION, AND SUBJECT TO PARAGRAPH (4)~~ PARAGRAPH (2) OF THIS**  
 25 **SUBSECTION, A CONSUMER MAY NOT BE CHARGED FOR ANY SERVICE RELATING**  
 26 **TO A SECURITY FREEZE.**

27                    **(2) A CONSUMER REPORTING AGENCY MAY CHARGE A**  
 28 **REASONABLE FEE, NOT EXCEEDING \$5, FOR EACH PLACEMENT, TEMPORARY**  
 29 **LIFT, OR REMOVAL OF A SECURITY FREEZE. ~~IF A CONSUMER FAILS TO RETAIN~~**

~~1 THE ORIGINAL UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD  
2 PROVIDED TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY UNDER  
3 SUBSECTION (C)(4)(II) OF THIS SECTION, AND THE CONSUMER REPORTING  
4 AGENCY MUST REISSUE THE SAME OR A NEW UNIQUE PERSONAL  
5 IDENTIFICATION NUMBER OR PASSWORD.~~

~~6 (3) A CONSUMER REPORTING AGENCY MAY CHARGE A  
7 REASONABLE FEE, NOT EXCEEDING \$5, FOR EACH OF THE FOLLOWING  
8 REQUESTS MADE DURING A 12 MONTH PERIOD:~~

~~9 (I) A SECOND OR SUBSEQUENT REQUEST TO PLACE A  
10 SECURITY FREEZE ON THE CONSUMER'S CONSUMER REPORT;~~

~~11 (II) A SECOND OR SUBSEQUENT REQUEST TO TEMPORARILY  
12 LIFT A SECURITY FREEZE PLACED ON THE CONSUMER'S CONSUMER REPORT; OR~~

~~13 (III) A SECOND OR SUBSEQUENT REQUEST TO REMOVE  
14 PERMANENTLY A SECURITY FREEZE.~~

~~15 (4)(3) A NOTWITHSTANDING PARAGRAPH (2) OF THIS  
16 SUBSECTION, A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE  
17 UNDER THIS SECTION TO A CONSUMER WHO:~~

~~18 (I) HAS OBTAINED A REPORT OF ALLEGED IDENTITY  
19 FRAUD AGAINST THE CONSUMER UNDER § 8-304 OF THE CRIMINAL LAW  
20 ARTICLE OR AN IDENTITY THEFT PASSPORT UNDER § 8-305 OF THE CRIMINAL  
21 LAW ARTICLE; AND~~

~~22 (II) PROVIDES A COPY OF THE REPORT OR PASSPORT TO  
23 THE CONSUMER REPORTING AGENCY.~~

~~24 (J) AT ANY TIME THAT A CONSUMER IS ENTITLED TO RECEIVE A  
25 SUMMARY OF RIGHTS UNDER § 609 OF THE FEDERAL FAIR CREDIT REPORTING  
26 ACT OR § 14-1206 OF THIS SUBTITLE, THE FOLLOWING NOTICE SHALL BE  
27 INCLUDED:~~

28 "NOTICE

29 YOU HAVE A RIGHT, UNDER ~~§ 14-1202.1~~ § 14-1212.1 OF THE  
30 COMMERCIAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND, TO

1 PLACE A SECURITY FREEZE ON YOUR CREDIT REPORT ~~AT NO CHARGE TO YOU.~~  
 2 THE SECURITY FREEZE WILL PROHIBIT A CONSUMER REPORTING AGENCY  
 3 FROM RELEASING YOUR CREDIT REPORT OR ANY INFORMATION ~~IN~~ DERIVED  
 4 FROM YOUR CREDIT REPORT WITHOUT YOUR EXPRESS AUTHORIZATION. THE  
 5 PURPOSE OF A SECURITY FREEZE IS TO PREVENT CREDIT, LOANS, AND  
 6 SERVICES FROM BEING APPROVED IN YOUR NAME WITHOUT YOUR CONSENT.

7 YOU MAY ELECT TO HAVE A CONSUMER REPORTING AGENCY PLACE A  
 8 SECURITY FREEZE ON YOUR CREDIT REPORT BY WRITTEN REQUEST SENT BY  
 9 CERTIFIED MAIL, ~~BY TELEPHONE,~~ OR BY ELECTRONIC MAIL OR THE INTERNET  
 10 IF THE CONSUMER REPORTING AGENCY PROVIDES A SECURE ELECTRONIC  
 11 CONNECTION. THE CONSUMER REPORTING AGENCY MUST PLACE A SECURITY  
 12 FREEZE ON YOUR CREDIT REPORT WITHIN 5 BUSINESS DAYS AFTER YOUR  
 13 REQUEST IS RECEIVED, OR WITHIN 3 BUSINESS DAYS STARTING JULY 1, 2008.  
 14 WITHIN 5 BUSINESS DAYS AFTER A SECURITY FREEZE IS PLACED ON YOUR  
 15 CREDIT REPORT, YOU WILL BE PROVIDED WITH A UNIQUE PERSONAL  
 16 IDENTIFICATION NUMBER OR PASSWORD TO USE IF YOU WANT TO REMOVE THE  
 17 SECURITY FREEZE OR TEMPORARILY LIFT THE SECURITY FREEZE TO RELEASE  
 18 YOUR CREDIT REPORT TO A SPECIFIC PERSON OR FOR A SPECIFIC PERIOD OF  
 19 TIME. YOU ALSO WILL RECEIVE INFORMATION ON THE PROCEDURES FOR  
 20 REMOVING OR TEMPORARILY LIFTING A SECURITY FREEZE.

21 IF YOU WANT TO TEMPORARILY LIFT THE SECURITY FREEZE ON YOUR  
 22 CREDIT REPORT, YOU MUST CONTACT THE CONSUMER REPORTING AGENCY AND  
 23 PROVIDE ALL OF THE FOLLOWING:

24 (1) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR  
 25 PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY;

26 (2) THE PROPER ~~IDENTIFICATION~~ IDENTIFYING INFORMATION TO  
 27 VERIFY YOUR IDENTITY; AND

28 (3) THE PROPER INFORMATION REGARDING THE PERSON WHO IS  
 29 TO RECEIVE THE CREDIT REPORT OR THE PERIOD OF TIME FOR WHICH THE  
 30 CREDIT REPORT IS TO BE AVAILABLE TO USERS OF THE CREDIT REPORT.

31 A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO  
 32 TEMPORARILY LIFT A SECURITY FREEZE ON A CREDIT REPORT WITHIN ~~5~~ 3  
 33 BUSINESS DAYS AFTER THE REQUEST IS RECEIVED, OR WITHIN 15 MINUTES  
 34 STARTING JANUARY 1, 2010 31, 2009, FOR CERTAIN REQUESTS. A CONSUMER

1 REPORTING AGENCY MUST COMPLY WITH A REQUEST TO REMOVE A SECURITY  
2 FREEZE ON A CREDIT REPORT WITHIN 3 BUSINESS DAYS AFTER THE REQUEST IS  
3 RECEIVED.

4 IF YOU ARE ACTIVELY SEEKING CREDIT, YOU SHOULD BE AWARE THAT  
5 THE PROCEDURES INVOLVED IN LIFTING A SECURITY FREEZE MAY SLOW YOUR  
6 OWN APPLICATIONS FOR CREDIT. YOU SHOULD PLAN AHEAD AND LIFT A  
7 SECURITY FREEZE, EITHER COMPLETELY IF YOU ARE SEEKING CREDIT FROM A  
8 NUMBER OF SOURCES, OR JUST FOR A SPECIFIC CREDITOR IF YOU ARE  
9 APPLYING ONLY TO THAT CREDITOR, A FEW DAYS BEFORE ACTUALLY APPLYING  
10 FOR NEW CREDIT.

11 A CONSUMER REPORTING AGENCY MAY CHARGE A REASONABLE FEE NOT  
12 EXCEEDING \$5 FOR EACH PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A  
13 SECURITY FREEZE. HOWEVER, A CONSUMER REPORTING AGENCY MAY NOT  
14 CHARGE ANY FEE TO A CONSUMER WHO, AT THE TIME OF A REQUEST TO PLACE,  
15 TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, PRESENTS TO THE  
16 CONSUMER REPORTING AGENCY A POLICE REPORT OF ALLEGED IDENTITY  
17 FRAUD AGAINST THE CONSUMER OR AN IDENTITY THEFT PASSPORT.

18 A SECURITY FREEZE DOES NOT APPLY IF YOU HAVE AN EXISTING  
19 ACCOUNT RELATIONSHIP AND A COPY OF YOUR CREDIT REPORT IS REQUESTED  
20 BY YOUR EXISTING CREDITOR OR ITS AGENTS OR AFFILIATES FOR CERTAIN  
21 TYPES OF ACCOUNT REVIEW, COLLECTION, FRAUD CONTROL, OR SIMILAR  
22 ACTIVITIES.

23 ~~YOU HAVE A RIGHT TO BRING A CIVIL ACTION AGAINST ANY CONSUMER~~  
24 ~~REPORTING AGENCY OR USER OF YOUR CREDIT REPORT WHO VIOLATES YOUR~~  
25 ~~RIGHTS UNDER MARYLAND'S CREDIT REPORTING LAWS."~~

26 ~~(K) (1) THE FOLLOWING PERSONS MAY NOT BE REQUIRED TO PLACE~~  
27 ~~A SECURITY FREEZE ON THE CONSUMER REPORT OF A CONSUMER:~~

28 ~~(i) A CHECK SERVICES OR FRAUD PREVENTION SERVICES~~  
29 ~~COMPANY THAT REPORTS ON INCIDENTS OF FRAUD OR ISSUES~~  
30 ~~AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING~~  
31 ~~NEGOTIABLE INSTRUMENTS, ELECTRONIC FUND TRANSFERS, OR SIMILAR~~  
32 ~~METHODS OF PAYMENT;~~



1           ~~(H) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY~~  
 2 ~~THAT ISSUES REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,~~  
 3 ~~SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR SIMILAR~~  
 4 ~~INFORMATION REGARDING A CONSUMER TO INQUIRING BANKS OR OTHER~~  
 5 ~~FINANCIAL INSTITUTIONS FOR USE ONLY IN REVIEWING A CONSUMER REQUEST~~  
 6 ~~FOR A DEPOSIT ACCOUNT AT THE INQUIRING BANK OR FINANCIAL INSTITUTION;~~  
 7 ~~OR~~

8           ~~(H) A CREDIT RATING CONSUMER REPORTING AGENCY~~  
 9 ~~THAT:~~

10           ~~1. ACTS ONLY TO RESELL CREDIT INFORMATION BY~~  
 11 ~~ASSEMBLING AND MERGING INFORMATION CONTAINED IN A DATABASE OF ONE~~  
 12 ~~OR MORE CONSUMER REPORTING AGENCIES; AND~~

13           ~~2. DOES NOT MAINTAIN A PERMANENT DATABASE OF~~  
 14 ~~CREDIT INFORMATION FROM WHICH NEW CONSUMER REPORTS ARE PRODUCED~~  
 15 ~~;~~~~OR~~

16           ~~(IV) A CONSUMER REPORTING AGENCY WITH RESPECT TO A~~  
 17 ~~DATABASE OR FILE THAT CONSISTS ENTIRELY OF CONSUMER INFORMATION~~  
 18 ~~CONCERNING, AND USED SOLELY FOR:~~

19           ~~1. CRIMINAL RECORD INFORMATION;~~

20           ~~2. PERSONAL LOSS HISTORY INFORMATION;~~

21           ~~3. FRAUD PREVENTION OR DETECTION;~~

22           ~~4. EMPLOYMENT SCREENING; OR~~

23           ~~5. TENANT SCREENING.~~

24           ~~(2) A PERSON DESCRIBED IN THIS SUBSECTION IS SUBJECT TO A~~  
 25 ~~SECURITY FREEZE PLACED BY A CONSUMER REPORTING AGENCY UNDER THIS~~  
 26 ~~SECTION.~~

27           ~~(L)~~ (K) IF A CONSUMER REPORTING AGENCY VIOLATES A SECURITY  
 28 FREEZE BY RELEASING A CONSUMER'S CONSUMER REPORT SUBJECT TO A  
 29 SECURITY FREEZE OR ANY INFORMATION ~~IN~~ DERIVED FROM A CONSUMER'S

1 CONSUMER REPORT SUBJECT TO A SECURITY FREEZE WITHOUT  
2 AUTHORIZATION, THE CONSUMER REPORTING AGENCY, WITHIN 5 BUSINESS  
3 DAYS AFTER DISCOVERING OR BEING NOTIFIED OF THE RELEASE, SHALL NOTIFY  
4 THE CONSUMER IN WRITING OF:

5 (1) THE SPECIFIC INFORMATION RELEASED; AND

6 (2) THE NAME AND ADDRESS OF, OR OTHER AVAILABLE CONTACT  
7 INFORMATION FOR, THE RECIPIENT OF THE CONSUMER REPORT OR THE  
8 INFORMATION RELEASED.

9 ~~(M) (1) IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE~~  
10 ~~AVAILABLE UNDER THIS SUBTITLE, A CONSUMER WHO IS AFFECTED BY A~~  
11 ~~VIOLATION OF THIS SECTION MAY BRING AN ACTION AGAINST THE PERSON~~  
12 ~~THAT COMMITTED THE VIOLATION.~~

13 ~~(2) IN AN ACTION BROUGHT UNDER PARAGRAPH (1) OF THIS~~  
14 ~~SUBSECTION, A CONSUMER MAY RECOVER:~~

15 ~~(I) A PENALTY NOT EXCEEDING \$1,000 FOR EACH~~  
16 ~~VIOLATION;~~

17 ~~(II) ANY ACTUAL DAMAGES SUSTAINED BY THE CONSUMER~~  
18 ~~AS A RESULT OF THE VIOLATION; AND~~

19 ~~(III) REASONABLE EXPENSES, COURT COSTS, INVESTIGATIVE~~  
20 ~~COSTS, AND ATTORNEY'S FEES.~~

21 ~~(3) FOR PURPOSES OF IMPOSING PENALTIES UNDER PARAGRAPH~~  
22 ~~(2) OF THIS SUBSECTION, EACH INSTANCE OF A VIOLATION OF THIS SECTION IS~~  
23 ~~A SEPARATE VIOLATION.~~

24 (L) THE EXCLUSIVE REMEDY FOR A VIOLATION OF SUBSECTION  
25 (E)(2)(II) OF THIS SECTION SHALL BE A COMPLAINT FILED WITH THE  
26 COMMISSIONER UNDER § 14-1217 OF THIS SUBTITLE.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 January 1, 2008.