

# HOUSE BILL 117

I3  
HB 1202/06 – ECM

71r0761

---

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**

Introduced and read first time: January 24, 2007

Assigned to: Economic Matters

---

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2007

---

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

3 FOR the purpose of authorizing a consumer to elect to place a security freeze on the  
4 consumer's consumer report; establishing procedures for requesting a security  
5 freeze; requiring a consumer reporting agency to place a security freeze on a  
6 consumer's consumer report within certain time periods after certain requests  
7 are received and to take certain actions within a certain number of business  
8 days after placing a security freeze on a consumer's consumer report; providing  
9 that while a security freeze is in place, a consumer reporting agency may not  
10 provide any information in a consumer's consumer report without certain  
11 authorization of the consumer; ~~requiring a consumer reporting agency to give  
12 certain notice to a consumer if any person requests access to a consumer's  
13 consumer report under certain circumstances;~~ establishing procedures for

---

**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.



1 requesting a security freeze to be lifted temporarily or removed; requiring a  
 2 consumer reporting agency to temporarily lift or remove a security freeze within  
 3 a certain number of business days after receiving a request from a consumer;  
 4 requiring a consumer reporting agency to temporarily lift a security freeze  
 5 within a certain number of minutes after receiving a request from a consumer  
 6 after a certain date and under certain circumstances, with certain exceptions;  
 7 prohibiting a consumer reporting agency from charging a consumer for any  
 8 service relating to a security freeze, subject to certain exceptions; requiring a  
 9 consumer reporting agency to give certain notices to a consumer at certain  
 10 times; ~~authorizing a consumer who is affected by a violation of certain~~  
 11 ~~provisions of this Act to bring a certain action; establishing certain penalties;~~  
 12 providing for the application of this Act; defining certain terms; providing for a  
 13 delayed effective date; and generally relating to consumer reporting agencies  
 14 and security freezes on consumer reports.

15 ~~BY repealing and reenacting, with amendments,~~  
 16 ~~Article – Commercial Law~~  
 17 ~~Section 14-1202(a)~~  
 18 ~~Annotated Code of Maryland~~  
 19 ~~(2005 Replacement Volume and 2006 Supplement)~~

20 BY adding to  
 21 Article – Commercial Law  
 22 Section ~~14-1202.1~~ 14-1212.1  
 23 Annotated Code of Maryland  
 24 (2005 Replacement Volume and 2006 Supplement)

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

27 **Article – Commercial Law**

28 ~~14-1202.~~

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

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

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

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

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

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

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

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

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

17 ~~**14-1202.1.**~~

18 ~~**14-1212.1.**~~

19           (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
20 MEANINGS INDICATED.

21           (2) "ACCOUNT REVIEW" INCLUDES ACTIVITIES RELATED TO  
22 ACCOUNT MAINTENANCE, ACCOUNT MONITORING, CREDIT LINE INCREASES,  
23 AND ACCOUNT UPGRADES AND ENHANCEMENTS.

24           (3) "SECURITY FREEZE" MEANS A RESTRICTION PLACED ON A  
25 CONSUMER'S CONSUMER REPORT AT THE REQUEST OF THE CONSUMER THAT  
26 PROHIBITS A CONSUMER REPORTING AGENCY FROM RELEASING THE  
27 CONSUMER'S CONSUMER REPORT OR ANY INFORMATION DERIVED FROM THE  
28 CONSUMER'S CONSUMER REPORT WITHOUT THE EXPRESS AUTHORIZATION OF  
29 THE CONSUMER.

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

3           **(1) A PERSON, OR A SUBSIDIARY, AFFILIATE, AGENT, OR**  
4 **ASSIGNEE OF THE PERSON, WITH WHICH THE CONSUMER HAS, OR PRIOR TO**  
5 **ASSIGNMENT HAD, AN ACCOUNT, CONTRACT, OR DEBTOR-CREDITOR**  
6 **RELATIONSHIP, FOR THE PURPOSE OF ACCOUNT REVIEW OR COLLECTING THE**  
7 **FINANCIAL OBLIGATION OWING FOR THE ACCOUNT, CONTRACT, OR DEBT;**

8           **(2) A PERSON THAT WAS GIVEN ACCESS TO THE CONSUMER'S**  
9 **CONSUMER REPORT UNDER SUBSECTION (E) OF THIS SECTION FOR THE**  
10 **PURPOSE OF FACILITATING AN EXTENSION OF CREDIT TO THE CONSUMER OR**  
11 **ANOTHER PERMISSIBLE USE;**

12           **(3) A PERSON ACTING IN ACCORDANCE WITH A COURT ORDER,**  
13 **WARRANT, OR SUBPOENA;**

14           **(4) A UNIT OF STATE OR LOCAL GOVERNMENT THAT**  
15 **ADMINISTERS A PROGRAM FOR ESTABLISHING AND ENFORCING CHILD**  
16 **SUPPORT OBLIGATIONS;**

17           **(5) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE IN**  
18 **CONNECTION WITH A FRAUD INVESTIGATION CONDUCTED BY THE**  
19 **DEPARTMENT;**

20           **(6) THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION,**  
21 **THE COMPTROLLER, OR ANY OTHER STATE OR LOCAL TAXING AUTHORITY IN**  
22 **CONNECTION WITH:**

23                   **(I) AN INVESTIGATION CONDUCTED BY THE DEPARTMENT,**  
24 **COMPTROLLER, OR TAXING AUTHORITY;**

25                   **(II) THE COLLECTION OF DELINQUENT TAXES OR UNPAID**  
26 **COURT ORDERS BY THE DEPARTMENT, COMPTROLLER, OR TAXING AUTHORITY;**  
27 **OR**

28                   **(III) THE PERFORMANCE OF ANY OTHER DUTY PROVIDED**  
29 **FOR BY LAW;**

1           (7) A PERSON FOR THE PURPOSE OF PRESCREENING, AS DEFINED  
2 BY THE FEDERAL FAIR CREDIT REPORTING ACT;

3           (8) A PERSON ADMINISTERING A CREDIT FILE MONITORING  
4 SUBSCRIPTION SERVICE TO WHICH THE CONSUMER HAS SUBSCRIBED; ~~OR~~

5           (9) A PERSON PROVIDING A CONSUMER WITH A COPY OF THE  
6 CONSUMER'S CONSUMER REPORT ON REQUEST OF THE CONSUMER; OR

7           (10) TO THE EXTENT NOT PROHIBITED BY OTHER STATE LAW, A  
8 PERSON ONLY FOR THE PURPOSE OF SETTING OR ADJUSTING AN INSURANCE  
9 RATE, ADJUSTING AN INSURANCE CLAIM, OR UNDERWRITING AN INSURANCE  
10 RISK.

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

13                   (i) WRITTEN REQUEST SENT BY CERTIFIED MAIL;

14                   (ii) ~~TELEPHONE~~ SUBJECT TO PARAGRAPH (5) OF THIS  
15 SUBSECTION, TELEPHONE, BY PROVIDING CERTAIN PERSONAL INFORMATION  
16 THAT THE CONSUMER REPORTING AGENCY MAY REQUIRE TO VERIFY THE  
17 IDENTITY OF THE CONSUMER;

18                   (iii) ELECTRONIC MAIL USING AN ELECTRONIC POSTMARK  
19 IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE BY THE  
20 CONSUMER REPORTING AGENCY; OR

21                   (iv) IF THE CONSUMER REPORTING AGENCY MAKES A  
22 SECURE CONNECTION AVAILABLE ON ITS WEBSITE, AN ELECTRONIC REQUEST  
23 THROUGH THAT SECURE CONNECTION.

24           (2) A CONSUMER REPORTING AGENCY SHALL REQUIRE A  
25 CONSUMER TO PROVIDE PROPER IDENTIFICATION WHEN REQUESTING A  
26 SECURITY FREEZE.

27           (3) A CONSUMER REPORTING AGENCY SHALL PLACE A SECURITY  
28 FREEZE ON A CONSUMER'S CONSUMER REPORT ~~WITHIN~~:

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

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

8 (4) WITHIN 5 BUSINESS DAYS AFTER PLACING A SECURITY  
9 FREEZE ON A CONSUMER'S CONSUMER REPORT, THE CONSUMER REPORTING  
10 AGENCY SHALL:

11 (I) SEND A WRITTEN CONFIRMATION OF THE SECURITY  
12 FREEZE TO THE CONSUMER;

13 (II) PROVIDE THE CONSUMER WITH A UNIQUE PERSONAL  
14 IDENTIFICATION NUMBER OR PASSWORD TO BE USED BY THE CONSUMER WHEN  
15 AUTHORIZING THE RELEASE OF THE CONSUMER'S CONSUMER REPORT FOR A  
16 SPECIFIC PERIOD OF TIME; AND

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

20 (5) (I) IF A CONSUMER REQUESTS PLACEMENT OF A SECURITY  
21 FREEZE BY TELEPHONE UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE  
22 CONSUMER REPORTING AGENCY MAY REQUIRE THE CONSUMER TO CONFIRM  
23 THE REQUEST IN WRITING ON A FORM THAT THE CONSUMER REPORTING  
24 AGENCY PROVIDES TO THE CONSUMER WITH THE MATERIALS SENT IN  
25 ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION.

26 (II) IF THE CONSUMER FAILS TO RETURN WRITTEN  
27 CONFIRMATION THAT THE CONSUMER REPORTING AGENCY REQUIRES UNDER  
28 SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE CONSUMER REPORTING AGENCY  
29 MAY REMOVE THE SECURITY FREEZE IN ACCORDANCE WITH SUBSECTION (G)(2)  
30 OF THIS SECTION.

31 (D) (1) WHILE A SECURITY FREEZE IS IN PLACE, A CONSUMER  
32 REPORTING AGENCY MAY NOT PROVIDE ANY INFORMATION IN A CONSUMER'S

1 CONSUMER REPORT WITHOUT THE EXPRESS PRIOR AUTHORIZATION OF THE  
2 CONSUMER.

3 (2) A CONSUMER REPORTING AGENCY MAY ADVISE A PERSON  
4 THAT A SECURITY FREEZE IS IN EFFECT WITH RESPECT TO A CONSUMER'S  
5 CONSUMER REPORT.

6 (3) A CONSUMER REPORTING AGENCY MAY NOT STATE OR IMPLY  
7 TO ANY PERSON THAT A SECURITY FREEZE ON A CONSUMER'S CONSUMER  
8 REPORT REFLECTS A NEGATIVE CREDIT SCORE, CREDIT HISTORY, OR CREDIT  
9 RATING.

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

15 ~~(ii) THE NOTICE SHALL STATE THE IDENTITY OF THE~~  
16 ~~PERSON REQUESTING ACCESS TO THE CONSUMER'S CONSUMER REPORT AND~~  
17 ~~THE PURPOSE OF THE REQUEST.~~

18 (E) (1) IF A CONSUMER WANTS TO ALLOW THE CONSUMER'S  
19 CONSUMER REPORT TO BE ACCESSED FOR A SPECIFIC PERIOD OF TIME WHILE A  
20 SECURITY FREEZE IS IN PLACE, THE CONSUMER SHALL:

21 (I) CONTACT THE CONSUMER REPORTING AGENCY BY:

22 1. ~~CERTIFIED MAIL~~ MAIL IN THE MANNER  
23 PRESCRIBED BY THE CONSUMER REPORTING AGENCY;

24 2. TELEPHONE IN THE MANNER PRESCRIBED BY THE  
25 CONSUMER REPORTING AGENCY;

26 3. ELECTRONIC MAIL USING AN ELECTRONIC  
27 POSTMARK IF A SECURE ELECTRONIC MAIL CONNECTION IS MADE AVAILABLE  
28 TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY; OR

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

1 (II) REQUEST THAT THE SECURITY FREEZE BE  
2 TEMPORARILY LIFTED; AND

3 (III) PROVIDE THE FOLLOWING TO THE CONSUMER  
4 REPORTING AGENCY:

5 1. PROPER IDENTIFICATION;

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

9 3. THE PROPER INFORMATION REGARDING THE  
10 TIME PERIOD DURING WHICH THE CONSUMER REPORT IS TO BE AVAILABLE TO  
11 USERS OF THE CONSUMER REPORT.

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

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

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

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

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

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



1                   **2. THE CONSUMER REPORTING AGENCY'S ABILITY**  
2 **TO TEMPORARILY LIFT THE SECURITY FREEZE WITHIN 15 MINUTES IS**  
3 **PREVENTED BY:**

4                   **A. AN ACT OF GOD, INCLUDING FIRE, EARTHQUAKE,**  
5 **HURRICANE, STORM, OR SIMILAR NATURAL DISASTER OR PHENOMENON;**

6                   **B. AN UNAUTHORIZED OR ILLEGAL ACT BY A THIRD**  
7 **PARTY, INCLUDING TERRORISM, SABOTAGE, RIOT, VANDALISM, LABOR STRIKE**  
8 **OR DISPUTE THAT DISRUPTS OPERATIONS, OR SIMILAR OCCURRENCE;**

9                   **C. A DISRUPTION OF OPERATIONS CAUSED BY**  
10 **ELECTRICAL FAILURE, UNANTICIPATED DELAY IN EQUIPMENT OR**  
11 **REPLACEMENT PART DELIVERY, COMPUTER HARDWARE OR SOFTWARE FAILURE**  
12 **INHIBITING RESPONSE TIME, OR SIMILAR DISRUPTION;**

13                   **D. A GOVERNMENTAL ACTION, INCLUDING**  
14 **EMERGENCY ORDER OR JUDICIAL OR LAW ENFORCEMENT ACTION;**

15                   **E. A REGULARLY SCHEDULED MAINTENANCE OF, OR**  
16 **UPDATE TO, THE CONSUMER REPORTING AGENCY'S CONSUMER REPORTING**  
17 **SYSTEM THAT OCCURS OTHER THAN DURING NORMAL BUSINESS HOURS; OR**

18                   **F. A COMMERCIALY REASONABLE MAINTENANCE**  
19 **OF, OR REPAIR TO, THE CONSUMER REPORTING AGENCY'S CONSUMER**  
20 **REPORTING SYSTEM THAT IS UNEXPECTED OR UNSCHEDULED.**

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

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

1 (F) IF, IN CONNECTION WITH AN APPLICATION FOR CREDIT OR FOR ANY  
2 OTHER USE, A PERSON REQUESTS ACCESS TO A CONSUMER'S CONSUMER  
3 REPORT WHILE A SECURITY FREEZE IS IN PLACE AND THE CONSUMER DOES NOT  
4 AUTHORIZE ACCESS TO THE CONSUMER'S CONSUMER REPORT, THE PERSON  
5 MAY TREAT THE APPLICATION AS INCOMPLETE.

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

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

13 1. ~~PLACEMENT~~ PLACEMENT OF THE SECURITY  
14 FREEZE WAS BASED ON A MATERIAL MISREPRESENTATION OF FACT BY THE  
15 CONSUMER; OR

16 2. THE CONSUMER:

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

19 B. FAILED TO CONFIRM THE REQUEST IN WRITING IF  
20 REQUIRED IN ACCORDANCE WITH SUBSECTION (C)(5) OF THIS SECTION.

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

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

29 (2) A CONSUMER REQUESTING THAT A SECURITY FREEZE BE  
30 REMOVED SHALL PROVIDE:

1                   **(I) PROPER IDENTIFICATION; AND**

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

5                   **(3) A CONSUMER REPORTING AGENCY SHALL REMOVE A**  
6 **SECURITY FREEZE WITHIN 3 BUSINESS DAYS AFTER RECEIVING A REQUEST FOR**  
7 **REMOVAL.**

8                   **(I) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS**  
9 **SUBSECTION, AND SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A**  
10 **CONSUMER MAY NOT BE CHARGED FOR ANY SERVICE RELATING TO A SECURITY**  
11 **FREEZE.**

12                   **(2) A CONSUMER REPORTING AGENCY MAY CHARGE A**  
13 **REASONABLE FEE, NOT EXCEEDING \$5, IF A CONSUMER FAILS TO RETAIN THE**  
14 **ORIGINAL UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD**  
15 **PROVIDED TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY UNDER**  
16 **SUBSECTION (C)(4)(II) OF THIS SECTION, AND THE CONSUMER REPORTING**  
17 **AGENCY MUST REISSUE THE SAME OR A NEW UNIQUE PERSONAL**  
18 **IDENTIFICATION NUMBER OR PASSWORD.**

19                   **(3) A CONSUMER REPORTING AGENCY MAY CHARGE A**  
20 **REASONABLE FEE, NOT EXCEEDING \$5, FOR EACH OF THE FOLLOWING**  
21 **REQUESTS MADE DURING A 12-MONTH PERIOD:**

22                   **(I) A SECOND OR SUBSEQUENT REQUEST TO PLACE A**  
23 **SECURITY FREEZE ON THE CONSUMER'S CONSUMER REPORT;**

24                   **(II) A SECOND OR SUBSEQUENT REQUEST TO TEMPORARILY**  
25 **LIFT A SECURITY FREEZE PLACED ON THE CONSUMER'S CONSUMER REPORT; OR**

26                   **(III) A SECOND OR SUBSEQUENT REQUEST TO REMOVE**  
27 **PERMANENTLY A SECURITY FREEZE.**

28                   **(4) A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE**  
29 **UNDER THIS SECTION TO A CONSUMER WHO:**

1 (I) HAS OBTAINED A REPORT OF ALLEGED IDENTITY  
2 FRAUD AGAINST THE CONSUMER UNDER § 8-304 OF THE CRIMINAL LAW  
3 ARTICLE OR AN IDENTITY THEFT PASSPORT UNDER § 8-305 OF THE CRIMINAL  
4 LAW ARTICLE; AND

5 (II) PROVIDES A COPY OF THE REPORT OR PASSPORT TO  
6 THE CONSUMER REPORTING AGENCY.

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

11 "NOTICE

12 YOU HAVE A RIGHT, UNDER ~~§ 14-1202.1~~ § 14-1212.1 OF THE  
13 COMMERCIAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND, TO  
14 PLACE A SECURITY FREEZE ON YOUR CREDIT REPORT AT NO CHARGE TO YOU.  
15 THE SECURITY FREEZE WILL PROHIBIT A CONSUMER REPORTING AGENCY  
16 FROM RELEASING ANY INFORMATION IN YOUR CREDIT REPORT WITHOUT YOUR  
17 EXPRESS AUTHORIZATION. THE PURPOSE OF A SECURITY FREEZE IS TO  
18 PREVENT CREDIT, LOANS, AND SERVICES FROM BEING APPROVED IN YOUR  
19 NAME WITHOUT YOUR CONSENT.

20 YOU MAY ELECT TO HAVE A CONSUMER REPORTING AGENCY PLACE A  
21 SECURITY FREEZE ON YOUR CREDIT REPORT BY WRITTEN REQUEST SENT BY  
22 CERTIFIED MAIL, BY TELEPHONE, OR BY ELECTRONIC MAIL OR THE INTERNET  
23 IF THE CONSUMER REPORTING AGENCY PROVIDES A SECURE ELECTRONIC  
24 CONNECTION. THE CONSUMER REPORTING AGENCY MUST PLACE A SECURITY  
25 FREEZE ON YOUR CREDIT REPORT WITHIN 5 BUSINESS DAYS AFTER YOUR  
26 REQUEST IS RECEIVED, OR WITHIN 3 BUSINESS DAYS STARTING JULY 1, 2008.  
27 WITHIN 5 BUSINESS DAYS AFTER A SECURITY FREEZE IS PLACED ON YOUR  
28 CREDIT REPORT, YOU WILL BE PROVIDED WITH A UNIQUE PERSONAL  
29 IDENTIFICATION NUMBER OR PASSWORD TO USE IF YOU WANT TO REMOVE THE  
30 SECURITY FREEZE OR TEMPORARILY LIFT THE SECURITY FREEZE TO RELEASE  
31 YOUR CREDIT REPORT FOR A SPECIFIC PERIOD OF TIME. YOU ALSO WILL  
32 RECEIVE INFORMATION ON THE PROCEDURES FOR REMOVING OR  
33 TEMPORARILY LIFTING A SECURITY FREEZE.

1           **IF YOU WANT TO TEMPORARILY LIFT THE SECURITY FREEZE ON YOUR**  
2 **CREDIT REPORT, YOU MUST CONTACT THE CONSUMER REPORTING AGENCY AND**  
3 **PROVIDE ALL OF THE FOLLOWING:**

4                   **(1) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR**  
5 **PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY;**

6                   **(2) THE PROPER IDENTIFICATION TO VERIFY YOUR IDENTITY;**  
7 **AND**

8                   **(3) THE PROPER INFORMATION REGARDING THE PERIOD OF**  
9 **TIME FOR WHICH THE CREDIT REPORT IS TO BE AVAILABLE TO USERS OF THE**  
10 **CREDIT REPORT.**

11           **A CONSUMER REPORTING AGENCY MUST COMPLY WITH A REQUEST TO**  
12 **TEMPORARILY LIFT A SECURITY FREEZE ON A CREDIT REPORT WITHIN 5**  
13 **BUSINESS DAYS AFTER THE REQUEST IS RECEIVED, OR WITHIN 15 MINUTES**  
14 **STARTING JANUARY 1, 2010, FOR CERTAIN REQUESTS.**

15           **IF YOU ARE ACTIVELY SEEKING CREDIT, YOU SHOULD BE AWARE THAT**  
16 **THE PROCEDURES INVOLVED IN LIFTING A SECURITY FREEZE MAY SLOW YOUR**  
17 **OWN APPLICATIONS FOR CREDIT. YOU SHOULD PLAN AHEAD AND LIFT A**  
18 **SECURITY FREEZE A FEW DAYS BEFORE ACTUALLY APPLYING FOR NEW CREDIT.**

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

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

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

29                   **(I) A CHECK SERVICES OR FRAUD PREVENTION SERVICES**  
30 **COMPANY THAT REPORTS ON INCIDENTS OF FRAUD OR ISSUES**  
31 **AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING**

1 NEGOTIABLE INSTRUMENTS, ELECTRONIC FUND TRANSFERS, OR SIMILAR  
2 METHODS OF PAYMENT;

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

10 (III) A ~~CREDIT RATING~~ CONSUMER REPORTING AGENCY  
11 THAT:

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

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

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

21 1. CRIMINAL RECORD INFORMATION;

22 2. PERSONAL LOSS HISTORY INFORMATION;

23 3. FRAUD PREVENTION OR DETECTION;

24 4. EMPLOYMENT SCREENING; OR

25 5. TENANT SCREENING.

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

1           (L) IF A CONSUMER REPORTING AGENCY VIOLATES A SECURITY FREEZE  
2 BY RELEASING A CONSUMER'S CONSUMER REPORT OR ANY INFORMATION IN A  
3 CONSUMER'S CONSUMER REPORT WITHOUT AUTHORIZATION, THE CONSUMER  
4 REPORTING AGENCY, WITHIN 5 BUSINESS DAYS AFTER THE RELEASE, SHALL  
5 NOTIFY THE CONSUMER OF:

6           (1) THE SPECIFIC INFORMATION RELEASED; AND

7           (2) THE NAME AND ADDRESS OF, OR OTHER AVAILABLE CONTACT  
8 INFORMATION FOR, THE RECIPIENT OF THE 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           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 January 1, 2008.