

CHAPTER 308

(House Bill 117)

AN ACT concerning

Consumer Protection – Consumer Reporting Agencies – Consumer Reports – Security Freezes

FOR the purpose of authorizing a consumer to elect to place a security freeze on the consumer's consumer report; establishing procedures for requesting a security freeze; requiring a consumer reporting agency to place a security freeze on a consumer's consumer report within certain time periods after certain requests are received *in certain manners* and to take certain actions within a certain number of business days after placing a security freeze on a consumer's consumer report; *establishing an exception for a certain consumer reporting agency to the requirement to place a security freeze on a consumer report*; providing that while a security freeze is in place, a consumer reporting agency may not ~~provide~~ *release a consumer's consumer report or any information ~~in~~ derived from* a consumer's consumer report without certain authorization of the consumer; ~~requiring a consumer reporting agency to give certain notice to a consumer if any person requests access to a consumer's consumer report under certain circumstances~~; establishing procedures for requesting a security freeze to be lifted temporarily or removed; requiring a consumer reporting agency to temporarily lift or remove a security freeze within a certain ~~number of business days~~ *time periods* after receiving a request from a consumer; *requiring a consumer reporting agency to temporarily lift a security freeze within a certain number of minutes after receiving a request from a consumer after a certain date and under certain circumstances, with certain exceptions*; *authorizing a consumer reporting agency to develop certain procedures on or before a certain date*; ~~prohibiting a consumer reporting agency from charging a consumer for any service relating to a security freeze, subject to certain exceptions~~ *establishing certain maximum fees for certain services relating to a security freeze*; *prohibiting the charging of fees by a consumer reporting agency to a consumer who presents certain documentation to the consumer reporting agency*; requiring a consumer reporting agency to give certain notices to a consumer at certain times; *providing that the exclusive remedy for a violation of a certain provision of this Act is to file a certain complaint with the Commissioner of Financial Regulation*; ~~authorizing a consumer who is affected by a violation of certain provisions of this Act to bring a certain action~~; ~~establishing certain penalties~~; providing for the application of this Act; defining certain terms;

providing for a delayed effective date; and generally relating to consumer reporting agencies and security freezes on consumer reports.

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

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

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

Article – Commercial Law

~~14-1202.~~

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

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

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

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

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

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

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

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

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

~~14-1202.1.~~

14-1212.1.

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

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

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

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

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

~~(2)~~ (II) A PERSON THAT WAS GIVEN ACCESS TO THE CONSUMER'S CONSUMER REPORT UNDER SUBSECTION (E) OF THIS SECTION

FOR THE PURPOSE OF FACILITATING AN EXTENSION OF CREDIT TO THE CONSUMER OR ANOTHER PERMISSIBLE USE;

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

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

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

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

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

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

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

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

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

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

~~(10)~~ (X) TO THE EXTENT NOT PROHIBITED BY OTHER STATE LAW, A PERSON ONLY FOR THE PURPOSE OF SETTING OR ADJUSTING AN

INSURANCE RATE, ADJUSTING AN INSURANCE CLAIM, OR UNDERWRITING AN INSURANCE RISK.

(2) THIS SECTION DOES NOT APPLY TO:

(I) A CHECK SERVICES OR FRAUD PREVENTION SERVICES COMPANY THAT ISSUES:

- 1. REPORTS ON INCIDENTS OF FRAUD; OR**
- 2. AUTHORIZATIONS FOR THE PURPOSE OF APPROVING OR PROCESSING NEGOTIABLE INSTRUMENTS, ELECTRONIC FUNDS TRANSFERS, OR SIMILAR PAYMENT METHODS;**

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

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

- 1. CRIMINAL RECORD INFORMATION;**
- 2. PERSONAL LOSS HISTORY INFORMATION;**
- 3. FRAUD PREVENTION OR DETECTION;**
- 4. EMPLOYMENT SCREENING; OR**
- 5. TENANT SCREENING.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(D) (1) WHILE A SECURITY FREEZE IS IN PLACE, A CONSUMER REPORTING AGENCY MAY NOT ~~PROVIDE~~ RELEASE A CONSUMER'S CONSUMER

REPORT OR ANY INFORMATION ~~IN~~ DERIVED FROM A CONSUMER'S CONSUMER REPORT WITHOUT THE EXPRESS PRIOR AUTHORIZATION OF THE CONSUMER.

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

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

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

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

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

(I) CONTACT THE CONSUMER REPORTING AGENCY BY:

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

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

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

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

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

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

1. PROPER ~~IDENTIFICATION~~ IDENTIFYING INFORMATION;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. THE CONSUMER:

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

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

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

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

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

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

(I) CONTACT THE CONSUMER REPORTING AGENCY BY:

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

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

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

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

(II) REQUEST THAT THE SECURITY FREEZE BE REMOVED;

AND

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

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

AND

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

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

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

(2) A CONSUMER REPORTING AGENCY MAY CHARGE A REASONABLE FEE, NOT EXCEEDING \$5, FOR EACH PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE. ~~IF A CONSUMER FAILS TO RETAIN THE ORIGINAL UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD PROVIDED TO THE CONSUMER BY THE CONSUMER REPORTING AGENCY UNDER SUBSECTION (C)(4)(II) OF THIS SECTION, AND THE CONSUMER REPORTING AGENCY MUST REISSUE THE SAME OR A NEW UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD.~~

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

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

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

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

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

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

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

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

“NOTICE

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

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

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

- (1) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD PROVIDED BY THE CONSUMER REPORTING AGENCY;
- (2) THE PROPER ~~IDENTIFICATION~~ IDENTIFYING INFORMATION TO VERIFY YOUR IDENTITY; AND
- (3) THE PROPER INFORMATION REGARDING THE PERSON WHO IS TO RECEIVE THE CREDIT REPORT OR THE PERIOD OF TIME FOR WHICH THE CREDIT REPORT IS TO BE AVAILABLE TO USERS OF THE CREDIT REPORT.

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

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

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

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

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

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

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

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

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

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

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

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

~~1. CRIMINAL RECORD INFORMATION;~~

~~2. PERSONAL LOSS HISTORY INFORMATION;~~

~~3. FRAUD PREVENTION OR DETECTION;~~

~~4. EMPLOYMENT SCREENING; OR~~

~~5. TENANT SCREENING.~~

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

~~(L)~~ (K) IF A CONSUMER REPORTING AGENCY VIOLATES A SECURITY FREEZE BY RELEASING A CONSUMER'S CONSUMER REPORT SUBJECT TO A SECURITY FREEZE OR ANY INFORMATION ~~IN~~ DERIVED FROM A CONSUMER'S CONSUMER REPORT SUBJECT TO A SECURITY FREEZE WITHOUT AUTHORIZATION, THE CONSUMER REPORTING AGENCY, WITHIN 5 BUSINESS DAYS AFTER DISCOVERING OR BEING NOTIFIED OF THE RELEASE, SHALL NOTIFY THE CONSUMER IN WRITING OF:

(1) THE SPECIFIC INFORMATION RELEASED; AND

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

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

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

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

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

~~(iii) REASONABLE EXPENSES, COURT COSTS, INVESTIGATIVE COSTS, AND ATTORNEY'S FEES.~~

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

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

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

Approved by the Governor, May 8, 2007.