

# HOUSE BILL No. 5094

October 12, 2017, Introduced by Rep. Bellino and referred to the Committee on Financial Services.

A bill to amend 2013 PA 229, entitled  
"Security freeze act,"  
by amending the title and sections 11, 14, 17, 21, 23, and 31 (MCL  
445.2521, 445.2524, 445.2527, 445.2531, 445.2533, and 445.2541).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

### TITLE

An act to require certain consumer reporting agencies to place  
security freezes for consumers under certain circumstances; to  
provide for the removal of those security freezes; ~~to authorize and~~  
~~limit fees;~~ to prescribe the powers and duties of certain state  
agencies and officials; and to provide remedies.

Sec. 11. (1) A consumer reporting agency shall place a

1 security freeze on a consumer's credit report if all of the  
2 following are met:

3 (a) The consumer reporting agency receives a request from the  
4 consumer for the placement of the security freeze under this act.

5 (b) The consumer does all of the following:

6 (i) Submits the request described in subdivision (a) to the  
7 consumer reporting agency at the address or other point of contact  
8 and in the manner specified by the consumer reporting agency.

9 (ii) Provides to the consumer reporting agency sufficient  
10 proof of identification of the consumer.

11 ~~—— (iii) Pays to the consumer reporting agency the appropriate~~  
12 ~~fee under section 31.~~

13 (2) Within 5 business days after receiving a request that  
14 meets the requirements of subsection (1), a consumer reporting  
15 agency shall place a security freeze for the consumer.

16 Sec. 14. (1) A consumer who does all of the following may  
17 temporarily lift a security freeze to allow access to the  
18 consumer's credit report by a specific person or for a specific  
19 period of time while the security freeze is in place:

20 (a) Contacts the consumer reporting agency at the address or  
21 other point of contact and in the manner specified by the consumer  
22 reporting agency for making a request under subdivision (b).

23 (b) Requests that the consumer reporting agency temporarily  
24 lift the security freeze.

25 (c) Provides to the consumer reporting agency sufficient proof  
26 of identification of the consumer.

27 (d) Includes with the request under subdivision (b) the unique

1 personal identification number or password provided to the consumer  
2 under section 12(b).

3 (e) Provides the proper information regarding the person that  
4 is to receive the credit report or the time period during which the  
5 credit report is to be available to users of the credit report.

6 ~~—— (f) Pays the appropriate fee under section 31.~~

7 (2) Except as provided in subsection (3), a consumer reporting  
8 agency that receives a request to temporarily lift a security  
9 freeze under subsection (1) shall comply with the request within 3  
10 business days after receiving the request.

11 (3) If a consumer reporting agency receives a request to  
12 temporarily lift a security freeze under subsection (1) by  
13 telephone, by electronic mail, or by secure connection on the  
14 website of the consumer reporting agency, the consumer reporting  
15 agency shall comply with the request within 15 minutes after  
16 receiving the request. However, a consumer reporting agency is not  
17 required to temporarily lift a security freeze within 15 minutes if  
18 a delay in complying with the request is caused by any of the  
19 following:

20 (a) An act of God, including, but not limited to, a fire,  
21 earthquake, hurricane, storm, or similar natural disaster or  
22 phenomena.

23 (b) An unauthorized or illegal act by a third party,  
24 including, but not limited to, an act of terrorism, sabotage, riot,  
25 or vandalism, a labor strike or other labor dispute that disrupts  
26 the consumer reporting agency's operations, or a similar  
27 occurrence.

1 (c) An interruption of the consumer reporting agency's  
2 operations, including, but not limited to, an electrical failure,  
3 an unanticipated delay in equipment or replacement part delivery, a  
4 computer hardware or software failure that inhibits response time,  
5 or a similar disruption.

6 (d) Governmental action, including, but not limited to, an  
7 emergency order or regulation, judicial or law enforcement action,  
8 or a similar directive.

9 (e) Regularly scheduled maintenance of, or updates to, the  
10 consumer reporting agency's systems that occurs outside of normal  
11 business hours.

12 (f) Commercially reasonable maintenance of, or repair to, the  
13 consumer reporting agency's systems that is unexpected or  
14 unscheduled.

15 Sec. 17. (1) A consumer reporting agency shall remove a  
16 security freeze on a consumer's credit report if the consumer does  
17 all of the following:

18 (a) Contacts the consumer reporting agency at the address or  
19 other point of contact and in the manner specified by the consumer  
20 reporting agency for making a request to remove a security freeze.

21 (b) Requests the removal of the security freeze on his or her  
22 credit report.

23 (c) Provides to the consumer reporting agency sufficient proof  
24 of identification of the consumer.

25 (d) Includes with the request under subdivision (b) the unique  
26 personal identification number or password provided to the consumer  
27 under section 12(b).

~~(e) Pays the appropriate fee under section 31.~~

(2) A consumer reporting agency that receives a request for removal of a security freeze under subsection (1) shall comply with the request within 3 business days after receiving the request.

Sec. 21. (1) A consumer reporting agency shall place a security freeze on a protected consumer's credit report if all of the following are met:

(a) The consumer reporting agency receives a request from the representative of the protected consumer for the placement of the security freeze.

(b) The protected consumer's representative does all of the following:

(i) Submits the request to the consumer reporting agency at the address or other point of contact and in the manner specified by the consumer reporting agency.

(ii) Provides to the consumer reporting agency sufficient proof of identification for the protected consumer and the representative.

(iii) Provides to the consumer reporting agency his or her sufficient proof of authority.

~~(iv) Pays to the consumer reporting agency the appropriate fee under section 31.~~

(2) If a consumer reporting agency does not have a file pertaining to a protected consumer when the consumer reporting agency receives a request under subsection (1), the consumer reporting agency shall create a record for the protected consumer.

(3) Within 30 days after receiving a request that meets the

1 requirements of subsection (1), a consumer reporting agency shall  
2 place a security freeze for the protected consumer.

3 Sec. 23. A consumer reporting agency shall remove a security  
4 freeze for a protected consumer placed under section 21 within 30  
5 days after the protected consumer or the protected consumer's  
6 representative does all of the following:

7 (a) Submits a request for the removal of the security freeze  
8 to the consumer reporting agency at the address or other point of  
9 contact and in the manner specified by the consumer reporting  
10 agency.

11 (b) Provides 1 of the following to the consumer reporting  
12 agency:

13 (i) If the request for removal is submitted by the protected  
14 consumer, all of the following:

15 (A) Proof that the sufficient proof of authority for the  
16 protected consumer's representative to act on behalf of the  
17 protected consumer is no longer valid.

18 (B) Sufficient proof of identification of the protected  
19 consumer.

20 (ii) If the request for removal is submitted by the  
21 representative of a protected consumer, all of the following:

22 (A) Sufficient proof of identification of the protected  
23 consumer and the representative.

24 (B) Sufficient proof of authority to act on behalf of the  
25 protected consumer.

26 ~~—— (c) Pays the consumer reporting agency the appropriate fee~~  
27 ~~under section 31.~~

1       Sec. 31. ~~(1) A consumer reporting agency may charge the~~  
2 ~~following fees:~~

3       ~~—— (a) Subject to subsection (2), a fee that does not exceed~~  
4 ~~\$10.00 for the placement, temporary lifting, or removal of a~~  
5 ~~security freeze for a consumer under article 2.~~

6       ~~—— (b) Subject to subsection (3), a fee that does not exceed~~  
7 ~~\$10.00 for the placement or removal of a security freeze for a~~  
8 ~~protected consumer under article 3, charged to a protected consumer~~  
9 ~~or his or her representative.~~

10       ~~—— (2) A consumer reporting agency may not charge a fee~~  
11 ~~authorized under subsection (1) (a) to a consumer for the placement,~~  
12 ~~temporary lifting, or removal of a security freeze for a consumer~~  
13 ~~under article 2 if the consumer has filed a police report of~~  
14 ~~alleged identity theft against the consumer under section 4a, 33b,~~  
15 ~~or 64a of the William Van Regenmorter crime victim's rights act,~~  
16 ~~1985 PA 87, MCL 780.754a, 780.783b, and 780.814a, and provides a~~  
17 ~~copy of the report to the consumer reporting agency.~~

18       ~~—— (3) A consumer reporting agency may not charge a fee~~  
19 ~~authorized under subsection (1) (b) if either of the following are~~  
20 ~~met:~~

21       ~~—— (a) The protected consumer or his or her representative has~~  
22 ~~filed a police report of alleged identity theft against the~~  
23 ~~protected consumer under section 4a, 33b, or 64a of the William Van~~  
24 ~~Regenmorter crime victim's rights act, 1985 PA 87, MCL 780.754a,~~  
25 ~~780.783b, and 780.814a, and provides a copy of the report to the~~  
26 ~~consumer reporting agency.~~

27       ~~—— (b) The request for the placement or removal of a security~~

1 ~~freeze is for a protected consumer who is under the age of 16 years~~  
2 ~~at the time of the request and the consumer reporting agency has a~~  
3 ~~credit report pertaining to the protected consumer.~~ **A CONSUMER**  
4 **REPORTING AGENCY MAY NOT CHARGE A FEE FOR THE PLACEMENT, TEMPORARY**  
5 **LIFTING, OR REMOVAL OF A SECURITY FREEZE FOR A CONSUMER UNDER**  
6 **ARTICLE 2 OR FOR A PROTECTED CONSUMER UNDER ARTICLE 3.**

7       Enacting section 1. This amendatory act takes effect 90 days  
8 after the date it is enacted into law.