

March 15, 2005

H 629. OPTION TO FREEZE CREDIT REPORT (=H 608). *TO REQUIRE ANY CONSUMER CREDIT REPORTING AGENCY TO, UPON THE WRITTEN REQUEST OF A CONSUMER, PLACE A SECURITY FREEZE THAT PROHIBITS THE AGENCY FROM PROVIDING A CONSUMER'S CREDIT REPORT TO A THIRD PARTY.* Identical to H 608, introduced 3/14/05.

Intro. by Adams.

Ref. to Finance

GS 25B

May 18, 2005

H 629. OPTION TO FREEZE CREDIT REPORT. Intro. 3/15/05. House committee substitute makes the following changes to 1st edition. Reorganizes proposed new statutes and redesignates them as Article 2A of GS Chapter 75, and makes the following changes: (1) Renames article as the "Credit Protection Act." (2) Authorizes consumer to place a freeze on consumer's credit report by certified mail, telephone, or electronic mail (was, certified mail only). (3) Requires that a consumer reporting agency place a security freeze on customer's account within three business days of an electronic request and five business days of a written or telephone request and that agency confirm that request in writing within five (was, ten) business days of a consumer's request. (4) Provides that if a third party requests access to a credit report in connection with an application for credit and consumer does not authorize disclosure of credit report, creditor may treat application as incomplete. (5) Requires that agency notify consumer if a third party requests access to credit report for the purpose of extending credit. (6) Deletes specific exceptions from security freeze for check, fraud prevention, and deposit account information services and consumer credit reporting agencies, and for Fair Credit Reporting prescreening requirements, but provides that if consumer subscribes to service or if service is providing consumer with a credit report, it is exempt from security freeze. (7) Allows agency to charge consumer up to \$5 per freeze in limited circumstances listed in act (was, authorized agency to charge up to \$10 for all security freezes). (8) Requires that a notice of the consumer's rights as set forth in act be provided to consumers in those situations in which consumer is required to receive a summary of rights under the federal Fair Credit Reporting Act. (9) Replaces provision authorizing Attorney General to initiate a civil action with provision authorizing consumer to file a civil action under GS 75-16 (civil actions for monopoly or trust violations) and recover statutory damages of up to \$1,000 per violation and seek injunctive relief to restrain further violations. (10) Requires that agency notify consumer within five business days of the release of information in violation of Act.