

SENATE/HOUSE FILE _____
BY (PROPOSED ATTORNEY GENERAL
BILL)

A BILL FOR

1 An Act relating to consumer protection modifying provisions
2 applicable to consumer security freezes.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 714G.2, Code 2018, is amended to read as
2 follows:

3 **714G.2 Security freeze.**

4 1. A consumer may submit ~~by certified mail to a consumer~~
5 ~~reporting agency~~ a written request for a security freeze to
6 a consumer reporting agency by first-class mail, telephone,
7 facsimile, secure internet connection, secure electronic mail,
8 or other secure electronic contact method. The consumer must
9 submit proper identification ~~and the applicable fee~~ with the
10 request. Within ~~five~~ three business days after receiving
11 the request, the consumer reporting agency shall commence
12 the security freeze. Within ~~ten~~ three business days after
13 commencing the security freeze, the consumer reporting agency
14 shall send a written confirmation to the consumer of the
15 security freeze, a personal identification number or password,
16 other than the consumer's social security number, for the
17 consumer to use in authorizing the suspension or removal of
18 the security freeze, including information on how the security
19 freeze may be temporarily suspended.

20 2. a. If a consumer requests a security freeze from a
21 consumer reporting agency that compiles and maintains files
22 on a nationwide basis, the consumer may request to have the
23 security freeze applied to any other consumer reporting agency
24 that compiles and maintains files on consumers on a nationwide
25 basis.

26 b. For purposes of this subsection, "consumer reporting
27 agency that compiles and maintains files on a nationwide basis"
28 means the same as defined in 15 U.S.C. §1681a(p).

29 Sec. 2. Section 714G.3, subsection 1, Code 2018, is amended
30 to read as follows:

31 1. A consumer may request that a security freeze be
32 temporarily suspended to allow the consumer reporting agency to
33 release the consumer credit report for a specific time period.
34 The consumer reporting agency ~~may~~ shall develop procedures
35 to expedite the receipt and processing of requests ~~which may~~

1 ~~involve the use of telephones by first-class mail, telephone,~~
2 ~~facsimile transmissions, the secure internet connection, secure~~
3 ~~electronic mail, or other secure electronic media contact~~
4 ~~method.~~ The consumer reporting agency shall comply with
5 the request within three business days after receiving the
6 consumer's written request, or within fifteen minutes after
7 the consumer's request is received by the consumer reporting
8 agency through facsimile, the secure internet connection,
9 secure electronic mail, or other secure electronic contact
10 ~~method chosen by the consumer reporting agency,~~ or the use of
11 a telephone, during normal business hours. The consumer's
12 request shall include all of the following:

- 13 a. Proper identification.
- 14 b. The personal identification number or password provided
- 15 by the consumer reporting agency.
- 16 c. Explicit instructions of the specific time period
- 17 designated for suspension of the security freeze.
- 18 ~~d. Payment of the applicable fee.~~

19 Sec. 3. Section 714G.4, unnumbered paragraph 1, Code 2018,
20 is amended to read as follows:

21 A security freeze remains in effect until the consumer
22 requests that the security freeze be removed. A consumer
23 reporting agency shall remove a security freeze within three
24 business days after receiving a request for removal that
25 includes proper identification of the consumer, and the
26 personal identification number or password provided by the
27 consumer reporting agency, ~~and payment of the applicable fee.~~

28 Sec. 4. Section 714G.5, Code 2018, is amended to read as
29 follows:

30 **714G.5 Fees prohibited.**

31 ~~1. A consumer reporting agency shall not charge any fee to~~
32 ~~a consumer who is the victim of identity theft for commencing~~
33 ~~a security freeze, temporary suspension, or removal if with~~
34 ~~the initial security freeze request, the consumer submits a~~
35 ~~valid copy of the police report concerning the unlawful use of~~

1 ~~identification information by another person.~~

2 ~~2. A consumer reporting agency may charge a fee not to~~
3 ~~exceed ten dollars to a consumer who is not the victim of~~
4 ~~identity theft for each security freeze, removal, or for~~
5 ~~reissuing a personal identification number or password if the~~
6 ~~consumer fails to retain the original number. The consumer~~
7 ~~reporting agency may charge a fee not to exceed twelve dollars~~
8 ~~for each temporary suspension of a security freeze.~~

9 A consumer reporting agency shall not charge a fee to a
10 consumer for providing any service pursuant to this chapter,
11 including but not limited to placing, removing, temporarily
12 suspending, or reinstating a security freeze.

13 Sec. 5. Section 714G.8A, subsection 1, paragraph d, Code
14 2018, is amended by striking the paragraph.

15 Sec. 6. Section 714G.8A, subsection 3, paragraph d, Code
16 2018, is amended by striking the paragraph.

17 Sec. 7. Section 714G.8A, subsection 5, Code 2018, is amended
18 to read as follows:

19 5. ~~a.~~ A consumer reporting agency ~~may~~ shall not charge
20 a reasonable fee, ~~not to exceed five dollars,~~ for each the
21 placement, or removal, or reinstatement of a protected consumer
22 security freeze. A consumer reporting agency may not charge
23 any other fee for a service performed pursuant to this section.

24 ~~b.~~ ~~Notwithstanding paragraph "a", a fee may not be charged~~
25 ~~by a consumer reporting agency pursuant to either of the~~
26 ~~following:~~

27 ~~(1) If the protected consumer's representative has obtained~~
28 ~~a police report or affidavit of alleged identity theft under~~
29 ~~section 715A.8 and submits a copy of the report or affidavit to~~
30 ~~the consumer reporting agency.~~

31 ~~(2) A request for the commencement or removal of a protected~~
32 ~~consumer security freeze is for a protected consumer who is~~
33 ~~under the age of sixteen years at the time of the request and~~
34 ~~the consumer reporting agency has a consumer credit report~~
35 ~~pertaining to the protected consumer.~~

1

EXPLANATION

2

The inclusion of this explanation does not constitute agreement with
the explanation's substance by the members of the general assembly.

3

4

This bill relates to consumer security freezes.

5

Current law permits a consumer to submit a request for a
security freeze via certified mail. The bill expands the
methods permitted for a consumer to submit a request for
a security freeze to allow such requests to be submitted
via first-class mail, telephone, facsimile, secure internet
connection, secure electronic mail, or other secure electronic
contact method.

12

The bill reduces the number of days by which a consumer
reporting agency must commence a security freeze after
receiving a request from five to three business days. The bill
also reduces the number of days by which a consumer reporting
agency must send written confirmation to a consumer after
commencing a security freeze from ten to three business days.

18

The bill provides that if a consumer requests a security
freeze from a consumer reporting agency that compiles and
maintains files on a nationwide basis, as defined in the bill,
the consumer may request to have the security freeze applied to
any other similar consumer reporting agency.

23

The bill requires consumer reporting agencies to develop
procedures to expedite the receipt and processing of security
freeze suspension requests received via the same methods
permitted for consumers to submit such requests. The bill
requires a consumer reporting agency to commence a security
freeze suspension within 15 minutes after receiving a request
through telephone, facsimile, secure internet connection,
secure electronic mail, or other secure electronic contact
method.

32

The bill prohibits consumer reporting agencies from charging
fees to consumers for providing any service pursuant to Code
chapter 714G, including but not limited to placing, removing,
temporarily suspending, or reinstating a security freeze. The

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1 bill also prohibits consumer reporting agencies from charging
2 fees for placing or removing a protected consumer security
3 freeze pursuant to Code section 714G.8A. The bill removes
4 several references to payment of fees in Code chapter 714G.