

**House Study Bill 527 - Introduced**

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.