



General Assembly

January Session, 2005

**Committee Bill No. 650**

LCO No. 3971

\*03971SB00650GL\_\*

Referred to Committee on General Law

Introduced by:  
(GL)

**AN ACT REQUIRING CONSUMER CREDIT BUREAUS TO OFFER SECURITY FREEZES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) As used in this section and  
2 section 2 of this act:

3 (1) "Consumer" means consumer, as defined in section 36a-695 of  
4 the general statutes;

5 (2) "Credit rating agency" means credit rating agency, as defined in  
6 section 36a-695 of the general statutes;

7 (3) "Credit report" means credit report, as defined in section 36a-695  
8 of the general statutes;

9 (4) "Creditor" means creditor, as defined in section 36a-695 of the  
10 general statutes; and

11 (5) "Security freeze" means a notice placed in a consumer's credit  
12 report, at the request of the consumer and subject to certain exceptions,  
13 that prohibits the credit rating agency from releasing the consumer's

14 credit report or any information from it without the express  
15 authorization of the consumer.

16 Sec. 2. (NEW) (*Effective from passage*) (a) Any consumer may submit  
17 a written request, by certified mail, to a credit rating agency to place a  
18 security freeze on such consumer's credit report. Such credit rating  
19 agency shall place a security freeze on a consumer's credit report not  
20 later than five business days after receipt of such request from a  
21 consumer. Not later than ten business days after placing a security  
22 freeze on a consumer's credit report, such credit rating agency shall  
23 send a written confirmation of such security freeze to such consumer  
24 that provides the consumer with a unique personal identification  
25 number or password to be used by the consumer when providing  
26 authorization for the release of such consumer's report to a third party.

27 (b) In the event such consumer wishes to authorize the disclosure of  
28 such consumer's credit report to a third party while such security  
29 freeze is in effect, such consumer shall contact such credit rating  
30 agency and provide: (1) Proper identification, (2) the unique personal  
31 identification number or password described in subsection (a) of this  
32 section, and (3) information regarding the third party who is to receive  
33 the credit report.

34 (c) Any credit rating agency that receives a request from a consumer  
35 to temporarily lift a security freeze on a credit report pursuant to  
36 subsection (b) of this section shall lift such security freeze not later than  
37 three business days after receipt of such request.

38 (d) Any credit rating agency may develop procedures involving the  
39 use of telephone, facsimile, the Internet, or other electronic media to  
40 receive and process such request from a consumer to temporarily lift a  
41 security freeze pursuant to subsection (b) of this section.

42 (e) In the event that a third party requests access to a consumer's  
43 credit report that has such a security freeze in place and such third  
44 party request is made in connection with an application for credit or

45 any other use and such consumer has not authorized the disclosure of  
46 such consumer's credit report to such third party, such third party may  
47 deem such credit application as incomplete.

48 (f) Any security freeze authorized pursuant to the provisions of this  
49 section shall remain in effect until such time as such consumer requests  
50 such security freeze to be removed. A credit rating agency shall  
51 remove such security freeze not later than three business days after  
52 receipt of such request provided such consumer provides proper  
53 identification to such credit rating agency and the unique personal  
54 identification number or password described in subsection (a) of this  
55 section at the time of such request for removal of the security freeze.

56 (g) Nothing in this section shall be construed to prohibit disclosure  
57 of a consumer's credit report to any state or local agency, law  
58 enforcement agency, court or private collection agency acting pursuant  
59 to a court order, warrant or subpoena.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

**Statement of Purpose:**

To protect residents from those crimes committed with the use of fraudulently obtained credit reports.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. LOONEY, 11th Dist.

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