

Key Areas of Security Freeze Proposals

Proposal	Attorney General (AG)	Consumer Data Industry Association (CDIA)	Consumers' Union (CU)	Working Group Discussion results
Application	Any consumer	Any consumer	Any consumer	Any consumer
Placement Method	In writing by regular or certified mail, or by electronic mail through a secure site to be available within 1 year of effective date.	In writing by certified mail	In writing by certified mail, or phone request with verifying personal ID, or electronic mail through a secure site to be available within 180 days of effective date.	No consensus
Timing of placement and confirmation	Original Bill: Within 5 business days after receiving written request – except: for those notified of security breach (AND NEW BILL: for ID theft victims) within 24 hours of receiving written or electronic notification. Written confirmation within 5 business days with distribution of PIN. REVISED BILL: within 24 hours of receiving valid request and \$3 fee – the consumer reporting agency receiving request shall notify all other CRAs. Original timing remains for freeze. Also omits “written” from request language in sec 2(3).	Within 5 business days after receiving written request, proper ID and fee, if applicable. Written confirmation within 10 business days. Does not say PIN to be sent at same time as confirmation.	Within 5 business days after receiving written or telephone request or 3 business days of receiving secure electronic mail request. Gradually shorter deadlines: Within 1 year of effective date, freeze to be placed within 3 business days after any type of notification. Within 2 years of effective date, freeze within 1 business day of written/phone request. (Doesn't say about electronic request.) Written confirmation within 5 days at same time as PIN sent. Within 1 year of effective date, confirmation/PIN within 1 day .	No consensus on number of days
Initial Freeze Cost	No charge for ID theft victim or someone notified of a security breach. Administration fee of up to \$5 for initial freeze. REVISED BILL – Changes administrative fee to “one-time ... not to exceed \$3” Specifies exception (c), which also was in original bill.	Each CRA may charge no more than \$10 for initial freeze, except that ID theft victim who submits valid police report has no charge.	None	--Concern about cost for each CRA. --Concern about people being “thaw happy” and not being required to pay for causing many thaws.

Proposal	Attorney General	CDIA	Consumers' Union	Working Group
Temporary Lift Procedure	Consumer contact by regular or certified mail, phone, or secure electronic method, providing proper ID, PIN or password, proper description of third party allowed to access consumer report or time period for which report is available. CRA to develop procedure for expedited lifting of a freeze within 1 year of effective date. Written confirmation due the earliest of 3 business days or earliest required by any other state.	Point of contact designated by CRA (credit reporting agency). * Consumer to provide proper ID, PIN or password, proper information for time period for which thaw in effect, and a fee, if applicable. * CRA may develop phone, fax, electronic process for thaws.	Same as AG. See note regarding differences in consumer exposure for thaw related to time frame vs. specific entity.	No consensus on procedure for thaw.
Other Costs	No charge for temporary lift or freeze removal. Charge of up to \$5 if consumer requires reissue of PIN or a new PIN.	No more than \$10 for temporary lift or removal of a freeze.	Replacement of PIN after first reissue – no more than \$5 for each subsequent replacement. (True for each CRA).	Noted: cost applies for each CRA that is notified.
Rights Notification	Similar to Consumers' Union rights notification REVISED BILL: Adds "if the request is made electronically" to notification summary of rights – regarding timing to lift freeze.	Stronger language on delay of applications for credit, etc., than AG version. Repeats procedure information.		Liked idea of notifying about rights.
Attempt Notification	Under violation section, affected consumer entitled to notification that freeze violated within 5 business days. REVISED BILL: includes language sec. 2(10) following access to credit report "or information derived from it"		CRA must notify consumer of attempt by third party to access credit report by unauthorized third party not simply doing account review.	No discussion
Definitions (only differences are noted)	1) Specifies "person" to include individual, corporation, government, etc. 2) Defines "security freeze" –	1) Specifies consumer as resident of MT 2) Consumer report is same as 15 U.S.C. 1681a(d) – differs from other definitions only	1) Under credit report definition disallows use of credit scoring in underwriting personal lines of p/casualty insurance.	No specific discussion

Definitions, continued	includes process information. Also defines “account review” and “proper identification”.	by listing exclusions of 1681(a)(d)(2). 3) Credit reporting agency – same as 15 U.S.C. 1671a(f) 4) Short definition of “security freeze” similar to first sentence of AG proposal.	2) Includes definition of credit header.	
Proposal	Attorney General	CDIA	Consumers’ Union	Working Group
Penalties	Injunctive relief, civil penalty up to \$10,000 for each violation plus damages available under other civil laws, and reasonable expenses, court/investigation costs, and attorneys’ fees.	Actual damages or damages of not less than \$100 or more than \$1000. For individual falsely obtaining a consumer report, actual damages or \$1000, whichever is greater. Punitive damages. Costs of action plus reasonable attorneys’ fees.	Injunctive relief and/or civil penalty not to exceed \$10,000 for each violation plus damages available under civil laws, and reasonable expenses, court/investigative costs, and attorneys’ fees.	No specific discussion
Exemptions	Same essentially as others, except as noted. REVISED BILL: Adds (h) check services company or fraud prevention services company and (i) a demand deposit account information service company for financial review related to request for demand deposit account.	Subsections 12(g) through (i) exempt purposes monitoring credit files under subscription, providing a consumers with a copy of a credit report or score, or using information to underwrite insurance.	Subsection 13(h) and (i) exempt for credit file monitoring subscriptions and those providing consumer with a copy of a credit report upon the consumer’s request.	Comment from insurers that they would like to be exempt if person applying for insurance.

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