



Rep. Michelle Mussman

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LRB100 10946 JLS 24148 a

1 AMENDMENT TO HOUSE BILL 3872

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3872 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Consumer Fraud and Deceptive Business  
5 Practices Act is amended by changing Section 2MM as follows:

6 (815 ILCS 505/2MM)

7 Sec. 2MM. Verification of accuracy of consumer reporting  
8 information used to extend consumers credit and security freeze  
9 on credit reports.

10 (a) A credit card issuer who mails an offer or solicitation  
11 to apply for a credit card and who receives a completed  
12 application in response to the offer or solicitation which  
13 lists an address that is not substantially the same as the  
14 address on the offer or solicitation may not issue a credit  
15 card based on that application until reasonable steps have been  
16 taken to verify the applicant's change of address.

1           (b) Any person who uses a consumer credit report in  
2 connection with the approval of credit based on the application  
3 for an extension of credit, and who has received notification  
4 of a police report filed with a consumer reporting agency that  
5 the applicant has been a victim of financial identity theft, as  
6 defined in Section 16-30 or 16G-15 of the Criminal Code of 1961  
7 or the Criminal Code of 2012, may not lend money or extend  
8 credit without taking reasonable steps to verify the consumer's  
9 identity and confirm that the application for an extension of  
10 credit is not the result of financial identity theft.

11           (c) A consumer may request that a security freeze be placed  
12 on his or her credit report by sending a request in writing by  
13 certified mail to a consumer reporting agency at an address  
14 designated by the consumer reporting agency to receive such  
15 requests.

16           The following persons may request that a security freeze be  
17 placed on the credit report of a person with a disability:

18           (1) a guardian of the person with a disability who is  
19 the subject of the request, appointed under Article XIa of  
20 the Probate Act of 1975; and

21           (2) an agent of the person with a disability who is the  
22 subject of the request, under a written durable power of  
23 attorney that complies with the Illinois Power of Attorney  
24 Act.

25           The following persons may request that a security freeze be  
26 placed on the credit report of a minor:

1           (1) a guardian of the minor who is the subject of the  
2 request, appointed under Article XI of the Probate Act of  
3 1975;

4           (2) a parent of the minor who is the subject of the  
5 request; and

6           (3) a guardian appointed under the Juvenile Court Act  
7 of 1987 for a minor under the age of 18 who is the subject  
8 of the request or, with a court order authorizing the  
9 guardian consent power, for a youth who is the subject of  
10 the request who has attained the age of 18, but who is  
11 under the age of 21.

12           This subsection (c) does not prevent a consumer reporting  
13 agency from advising a third party that a security freeze is in  
14 effect with respect to the consumer's credit report.

15           (d) A consumer reporting agency shall place a security  
16 freeze on a consumer's credit report no later than 5 business  
17 days after receiving a written request from the consumer:

18                 (1) a written request described in subsection (c);

19                 (2) proper identification; and

20                 (3) payment of a fee, if applicable.

21           (e) Upon placing the security freeze on the consumer's  
22 credit report, the consumer reporting agency shall send to the  
23 consumer within 10 business days a written confirmation of the  
24 placement of the security freeze and a unique personal  
25 identification number or password or similar device, other than  
26 the consumer's Social Security number, to be used by the

1 consumer when providing authorization for the release of his or  
2 her credit report for a specific party or period of time.

3 (f) If the consumer wishes to allow his or her credit  
4 report to be accessed for a specific party or period of time  
5 while a freeze is in place, he or she shall contact the  
6 consumer reporting agency using a point of contact designated  
7 by the consumer reporting agency, request that the freeze be  
8 temporarily lifted, and provide the following:

9 (1) Proper identification;

10 (2) The unique personal identification number or  
11 password or similar device provided by the consumer  
12 reporting agency;

13 (3) The proper information regarding the third party or  
14 time period for which the report shall be available to  
15 users of the credit report; and

16 (4) A fee, if applicable.

17 A security freeze for a minor may not be temporarily  
18 lifted. This Section does not require a consumer reporting  
19 agency to provide to a minor or a parent or guardian of a minor  
20 on behalf of the minor a unique personal identification number,  
21 password, or similar device provided by the consumer reporting  
22 agency for the minor, or parent or guardian of the minor, to  
23 use to authorize the consumer reporting agency to release  
24 information from a minor.

25 (f-5) The following persons may request that a security  
26 freeze be placed on the credit file of a minor:

1           (1) a parent of the minor who is the subject of the  
2           request;

3           (2) a guardian, appointed under Article XI of the  
4           Probate Act of 1975, of the minor who is the subject of the  
5           request; and

6           (3) a guardian appointed under the Juvenile Court Act  
7           of 1987 for a minor under the age of 18 who is the subject  
8           of the request or, with a court order authorizing the  
9           guardian consent power, for a youth who is the subject of  
10           the request who has attained the age of 18, but who is  
11           under the age of 21.

12           The following persons may request that a security freeze be  
13           placed on the credit file of a person with a disability:

14           (1) a guardian of the person with a disability who is  
15           the subject of the request, appointed under Article XIa of  
16           the Probate Act of 1975; and

17           (2) an agent of the person with a disability who is the  
18           subject of the request, under a written durable power of  
19           attorney that complies with the Illinois Power of Attorney  
20           Act.

21           The request must be in writing and must contain:

22           (1) The following information with respect to the  
23           parent, guardian, or agent:

24                   (A) complete name, including any suffix;

25                   (B) a complete address;

26                   (C) a copy of the person's social security card or

1 a certified or official copy of the person's birth  
2 certificate; and

3 (D) a copy of the person's driver's license,  
4 identification card issued by the Secretary of State or  
5 any other government-issued identification, or a copy  
6 of a utility bill that shows name and home address.

7 (2) The following information with respect to the minor  
8 or person with a disability who is the subject of the  
9 freeze:

10 (A) complete name, including any suffix;

11 (B) a complete address;

12 (C) a copy of a social security card;

13 (D) for a minor, a certified or official copy of  
14 the minor's birth certificate; and

15 (E) for a person under guardianship or power of  
16 attorney, an order issued by a court of law, a lawfully  
17 executed and valid power of attorney, or a written,  
18 signed, and notarized statement that expressly  
19 describes the authority of the person making the  
20 request to act on behalf of the minor or person with a  
21 disability.

22 A security freeze on a credit file for a minor or a person  
23 with a disability may not be temporarily lifted, but may be  
24 removed.

25 (g) A consumer reporting agency shall develop a contact  
26 method to receive and process a request from a consumer to

1 temporarily lift a freeze on a credit report pursuant to  
2 subsection (f) in an expedited manner.

3 A contact method under this subsection shall include: (i) a  
4 postal address; and (ii) an electronic contact method chosen by  
5 the consumer reporting agency, which may include the use of  
6 telephone, fax, Internet, or other electronic means.

7 (h) A consumer reporting agency that receives a request  
8 from a consumer to temporarily lift a freeze on a credit report  
9 pursuant to subsection (f), shall comply with the request no  
10 later than 3 business days after receiving the request.

11 (i) A consumer reporting agency shall remove or temporarily  
12 lift a freeze placed on a consumer's credit report or file only  
13 in the following cases:

14 (1) upon consumer request, pursuant to subsection (f)  
15 or subsection (l) of this Section; or

16 (2) if the consumer's credit report or file was frozen  
17 due to a material misrepresentation of fact by the  
18 consumer.

19 If a consumer reporting agency intends to remove a freeze  
20 upon a consumer's credit report or file pursuant to this  
21 subsection, the consumer reporting agency shall notify the  
22 consumer in writing prior to removing the freeze on the  
23 consumer's credit report or file.

24 (j) If a third party requests access to a credit report on  
25 which a security freeze is in effect, and this request is in  
26 connection with an application for credit or any other use, and

1 the consumer does not allow his or her credit report to be  
2 accessed for that specific party or period of time, the third  
3 party may treat the application as incomplete.

4 (k) If a consumer requests a security freeze, the credit  
5 reporting agency shall disclose to the consumer the process of  
6 placing and temporarily lifting a security freeze, and the  
7 process for allowing access to information from the consumer's  
8 credit report for a specific party or period of time while the  
9 freeze is in place.

10 (l) A security freeze shall remain in place until the  
11 consumer or person authorized under subsection (c) or (f-5) to  
12 act on behalf of the minor or person with a disability who is  
13 the subject of the security freeze requests, using a point of  
14 contact designated by the consumer reporting agency, that the  
15 security freeze be removed. A credit reporting agency shall  
16 remove a security freeze within 3 business days of receiving a  
17 request for removal from the consumer, who provides:

18 (1) Proper identification;

19 (2) The unique personal identification number or  
20 password or similar device provided by the consumer  
21 reporting agency; and

22 (3) A fee, if applicable.

23 (m) A consumer reporting agency shall require proper  
24 identification of the person making a request to place or  
25 remove a security freeze and may require proper identification  
26 and proper authority from the person making the request to



1 place or remove a freeze on behalf of the person with a  
2 disability or minor.

3 (n) The provisions of subsections (c) through (m) of this  
4 Section do not apply to the use of a consumer credit report by  
5 any of the following:

6 (1) A person or entity, or a subsidiary, affiliate, or  
7 agent of that person or entity, or an assignee of a  
8 financial obligation owing by the consumer to that person  
9 or entity, or a prospective assignee of a financial  
10 obligation owing by the consumer to that person or entity  
11 in conjunction with the proposed purchase of the financial  
12 obligation, with which the consumer has or had prior to  
13 assignment an account or contract, including a demand  
14 deposit account, or to whom the consumer issued a  
15 negotiable instrument, for the purposes of reviewing the  
16 account or collecting the financial obligation owing for  
17 the account, contract, or negotiable instrument. For  
18 purposes of this subsection, "reviewing the account"  
19 includes activities related to account maintenance,  
20 monitoring, credit line increases, and account upgrades  
21 and enhancements.

22 (2) A subsidiary, affiliate, agent, assignee, or  
23 prospective assignee of a person to whom access has been  
24 granted under subsection (f) of this Section for purposes  
25 of facilitating the extension of credit or other  
26 permissible use.

1           (3) Any state or local agency, law enforcement agency,  
2           trial court, or private collection agency acting pursuant  
3           to a court order, warrant, or subpoena.

4           (4) A child support agency acting pursuant to Title  
5           IV-D of the Social Security Act.

6           (5) The State or its agents or assigns acting to  
7           investigate fraud.

8           (6) The Department of Revenue or its agents or assigns  
9           acting to investigate or collect delinquent taxes or unpaid  
10          court orders or to fulfill any of its other statutory  
11          responsibilities.

12          (7) The use of credit information for the purposes of  
13          prescreening as provided for by the federal Fair Credit  
14          Reporting Act.

15          (8) Any person or entity administering a credit file  
16          monitoring subscription or similar service to which the  
17          consumer has subscribed.

18          (9) Any person or entity for the purpose of providing a  
19          consumer with a copy of his or her credit report or score  
20          upon the consumer's request.

21          (10) Any person using the information in connection  
22          with the underwriting of insurance.

23          (n-5) This Section does not prevent a consumer reporting  
24          agency from charging a fee of no more than \$10 to a consumer  
25          for each freeze, removal, or temporary lift of the freeze,  
26          regarding access to a consumer credit report or file, except

1 that a consumer reporting agency may not charge a fee to: (i) a  
2 consumer 65 years of age or over for placement and removal of a  
3 freeze; (ii) a victim of identity theft who has submitted to  
4 the consumer reporting agency a valid copy of a police report,  
5 investigative report, or complaint that the consumer has filed  
6 with a law enforcement agency about unlawful use of his or her  
7 personal information by another person; or (iii) an active duty  
8 military service member who has submitted to the consumer  
9 reporting agency a copy of his or her orders calling the  
10 service member to military service and any orders further  
11 extending the service member's period of service if currently  
12 active.

13 (o) If a security freeze is in place, a consumer reporting  
14 agency shall not change any of the following official  
15 information in a credit report without sending a written  
16 confirmation of the change to the consumer within 30 days of  
17 the change being posted to the consumer's file: (i) name, (ii)  
18 date of birth, (iii) Social Security number, and (iv) address.  
19 Written confirmation is not required for technical  
20 modifications of a consumer's official information, including  
21 name and street abbreviations, complete spellings, or  
22 transposition of numbers or letters. In the case of an address  
23 change, the written confirmation shall be sent to both the new  
24 address and to the former address.

25 (p) The following entities are not required to place a  
26 security freeze in a consumer report, however, pursuant to

1 paragraph (3) of this subsection, a consumer reporting agency  
2 acting as a reseller shall honor any security freeze placed on  
3 a consumer credit report or file by another consumer reporting  
4 agency:

5 (1) A check services or fraud prevention services  
6 company, which issues reports on incidents of fraud or  
7 authorizations for the purpose of approving or processing  
8 negotiable instruments, electronic funds transfers, or  
9 similar methods of payment.

10 (2) A deposit account information service company,  
11 which issues reports regarding account closures due to  
12 fraud, substantial overdrafts, ATM abuse, or similar  
13 negative information regarding a consumer to inquiring  
14 banks or other financial institutions for use only in  
15 reviewing a consumer request for a deposit account at the  
16 inquiring bank or financial institution.

17 (3) A consumer reporting agency that:

18 (A) acts only to resell credit information by  
19 assembling and merging information contained in a  
20 database of one or more consumer reporting agencies;  
21 and

22 (B) does not maintain a permanent database of  
23 credit information from which new credit reports are  
24 produced.

25 (q) For purposes of this Section:

26 "Credit file" has the meaning ascribed to it in 15 U.S.C.

1 1681a(g).

2 "Credit report" has the same meaning as "consumer report",  
3 as ascribed to it in 15 U.S.C. Sec. 1681a(d).

4 "Consumer reporting agency" has the meaning ascribed to it  
5 in 15 U.S.C. Sec. 1681a(f).

6 "Security freeze" means a notice placed in a consumer's  
7 credit report, at the request of the consumer and subject to  
8 certain exceptions, that prohibits the consumer reporting  
9 agency from releasing the consumer's credit report or score  
10 relating to an extension of credit, without the express  
11 authorization of the consumer.

12 "Extension of credit" does not include an increase in an  
13 existing open-end credit plan, as defined in Regulation Z of  
14 the Federal Reserve System (12 C.F.R. 226.2), or any change to  
15 or review of an existing credit account.

16 "Proper authority" means documentation that shows that a  
17 parent, guardian, or agent has authority to act on behalf of a  
18 minor or person with a disability. "Proper authority" includes  
19 (1) an order issued by a court of law that shows that a  
20 guardian has authority to act on behalf of a minor or person  
21 with a disability, (2) a written, notarized statement signed by  
22 a parent that expressly describes the authority of the parent  
23 to act on behalf of the minor, or (3) a durable power of  
24 attorney that complies with the Illinois Power of Attorney Act.

25 "Proper identification" means information generally deemed  
26 sufficient to identify a person. Only if the consumer is unable

1 to reasonably identify himself or herself with the information  
2 described above, may a consumer reporting agency require  
3 additional information concerning the consumer's employment  
4 and personal or family history in order to verify his or her  
5 identity.

6 "Military service member" means a resident of Illinois who  
7 is a member of any component of the U.S. Armed Forces or the  
8 National Guard of any state, the District of Columbia, a  
9 commonwealth, or a territory of the United States who has  
10 entered any full-time training or duty for which the service  
11 member was ordered to report by the President, the governor of  
12 a state, commonwealth, or territory of the United States, or  
13 another appropriate military authority.

14 (r) Any person who violates this Section commits an  
15 unlawful practice within the meaning of this Act.

16 (Source: P.A. 98-486, eff. 1-1-14; 98-756, eff. 7-16-14;  
17 99-143, eff. 7-27-15; 99-373, eff. 1-1-16; 99-642, eff.  
18 7-28-16.)".