

2001 SENATE BILL 135

- April 11, 2001 Introduced by Senators ERPENBACH, BURKE, RISSER, GEORGE, DARLING and HANSEN, cosponsored by Representatives GUNDERSON, ZIEGELBAUER, SCHNEIDER, YOUNG, POCAN, BOCK, MUSSER, WOOD, TURNER, MILLER, BALOW, CULLEN, J. LEHMAN, BERCEAU and MORRIS-TATUM. Referred to Committee on Privacy, Electronic Commerce and Financial Institutions.
- 1 AN ACT to create subchapter V of chapter 224 [precedes 224.991] of the statutes;

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relating to: disclosure of credit reports and providing a penalty.

Analysis by the Legislative Reference Bureau

Wisconsin law currently does not specifically regulate the disclosure of credit reports to consumers by a credit reporting agency (agency). However, under current federal law, an agency must provide a consumer with five pieces of information upon request: all nonmedical information contained in the agency's files on the consumer, the sources of that information, the recipients of any credit report concerning the consumer, information regarding any checks that form the basis of an adverse characterization of the consumer, and a record of certain inquiries received by the agency that identified the consumer. Generally, unless the consumer's request is pursuant to a denial of credit or to a notice that the consumer's credit may be adversely affected, the agency may charge up to \$8 for this disclosure. In certain circumstances, federal law prohibits an agency from disclosing the sources of information in a consumer's file.

This bill requires an agency to notify any individual whenever the agency discloses information concerning the individual to anyone other than the individual. The agency must also inform the individual of the identity of the person to whom the information was disclosed. This bill also requires an agency, upon request, to provide one free written disclosure report to a consumer per year. In addition to the disclosure required by the federal law, this bill requires the agency to provide the consumer with a current credit report and a clear and concise explanation of the contents of the written disclosure report. This bill prohibits an agency from making

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certain disclosures prohibited under federal law. A person who violates this bill may be fined up to \$500 for a first offense and may be fined up to \$1,000 or imprisoned for up to six months or both for a subsequent offense within six months.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1	SECTION 1. Subchapter V of chapter 224 [precedes 224.991] of the statutes is
2	created to read:
3	CHAPTER 224
4	SUBCHAPTER V
5	CONSUMER REPORTING AGENCIES
6	224.991 Definitions. In this subchapter:
7	(1) "Consumer report" has the meaning given in 15 USC 1681a (d).
8	(2) "Consumer reporting agency" has the meaning given in 15 USC 1681a (f).
9	(3) "File" has the meaning given in 15 USC 1681a (g).
10	(4) "Investigative consumer report" has the meaning given in 15 USC 1681a
11	(e).
12	(5) "Summary of rights" means the information a consumer reporting agency
13	is required to provide under 15 USC 1681g (c).
14	224.993 Disclosure to individual. (1) IN GENERAL. A consumer reporting
15	agency shall, upon the written request of an individual, provide the individual with
16	a written disclosure report within 5 business days after receiving the written
17	request.
18	(2) CONTENTS. Except as provided in sub. (4), the written disclosure report
19	provided under sub. (1) shall contain all of the following:

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1	(a) A current consumer report pertaining to the individual.
2	(b) The date of each request for credit information pertaining to the individual
3	received by the consumer reporting agency during the 12 months before the date that
4	the consumer reporting agency provides the written disclosure report.
5	(c) The name of each person requesting credit information pertaining to the
6	individual during the 12 months before the date that the consumer reporting agency
7	provides the written disclosure report.
8	(d) The dates, original payees, and amounts of any checks upon which any
9	adverse characterization of the consumer is based.
10	(e) Any other information contained in the individual's file.
11	(f) A clear and concise explanation of the contents of the written disclosure
12	report.
13	(g) A summary of rights.
14	(3) COST. A consumer reporting agency shall provide the written disclosure
15	report required under sub. (1) free of charge, unless the individual has requested a
16	written disclosure report from the consumer reporting agency during the preceding
17	12 months.
18	(4) EXCEPTIONS. A consumer reporting agency may not disclose to an individual
19	making a request under sub. (1) any of the following:
20	(a) The sources of any information that was both acquired solely for use in
21	preparing an investigative consumer report and used for no other purpose.
22	(b) Any credit score or other risk score or predictor relating to the consumer.
23	224.995 Notification of individuals regarding disclosure. If a consumer
24	reporting agency discloses information concerning an individual to any person other

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than that individual, the consumer reporting agency shall promptly notify theindividual, in writing, of all of the following:

3 (1) The fact that the consumer reporting agency has disclosed information4 concerning the individual.

- 5 (2) The date of the disclosure.
- 6 (3) The name and address of the person to whom the disclosure was made.

224.997 Penalties. Any person who violates this subchapter may be fined not
more than \$500 for the first offense and may be fined not more than \$1,000 or
imprisoned for not more than 6 months or both for each subsequent offense occurring
within 6 months.

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(END)