

2003 SENATE BILL 39

February 18, 2003 – Introduced by Senators ERPENBACH, ROBSON, CARPENTER and CHVALA, cosponsored by Representatives SCHNEIDER, ZIEGELBAUER, MUSSER, A. WILLIAMS, BERCEAU, TRAVIS, PLOUFF, ALBERS, SHILLING, BOYLE, MORRIS, COLON, J. LEHMAN, HUBER and BALOW. Referred to Committee on Judiciary, Corrections and Privacy.

1 **AN ACT** *to create* 220.02 (2) (e) and subchapter V of chapter 224 [precedes
2 224.991] of the statutes; **relating to:** disclosure of credit reports and providing
3 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, 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 certain disclosures prohibited under federal law. A person who violates this bill may be fined up to \$500 for a first offense

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and may be fined up to \$1,000 or imprisoned for up to six months or both for a subsequent offense within six months.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report concerning the proposed penalty and the costs or savings that are likely to result if the bill is enacted.

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.** 220.02 (2) (e) of the statutes is created to read:

2 220.02 **(2)** (e) Consumer reporting agencies under subch. V of ch. 224.

3 **SECTION 2.** Subchapter V of chapter 224 [precedes 224.991] of the statutes is
4 created to read:

5 **CHAPTER 224**

6 SUBCHAPTER V

7 CONSUMER REPORTING AGENCIES

8 **224.991 Definitions.** In this subchapter:

9 **(1)** “Consumer report” has the meaning given in 15 USC 1681a (d).

10 **(2)** “Consumer reporting agency” has the meaning given in 15 USC 1681a (f).

11 **(3)** “File” has the meaning given in 15 USC 1681a (g).

12 **(4)** “Investigative consumer report” has the meaning given in 15 USC 1681a
13 (e).

14 **(5)** “Summary of rights” means the information that a consumer reporting
15 agency is required to provide under 15 USC 1681g (c).

16 **224.993 Disclosure to individual. (1) IN GENERAL.** A consumer reporting
17 agency shall, upon the written request of an individual, provide the individual with

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1 a written disclosure report within 5 business days after receiving the written
2 request.

3 **(2) CONTENTS.** Except as provided in sub. (4), the written disclosure report
4 provided under sub. (1) shall contain all of the following:

5 (a) A current consumer report pertaining to the individual.

6 (b) The date of each request for credit information pertaining to the individual
7 received by the consumer reporting agency during the 12 months before the date on
8 which the consumer reporting agency provides the written disclosure report.

9 (c) The name of each person requesting credit information pertaining to the
10 individual during the 12 months before the date on which the consumer reporting
11 agency provides the written disclosure report.

12 (d) The dates, original payees, and amounts of any checks upon which any
13 adverse characterization of the consumer is based.

14 (e) Any other information contained in the individual's file.

15 (f) A clear and concise explanation of the contents of the written disclosure
16 report.

17 (g) A summary of rights.

18 **(3) COST.** A consumer reporting agency shall provide the written disclosure
19 report required under sub. (1) free of charge, unless the individual has requested a
20 written disclosure report from the consumer reporting agency during the preceding
21 12 months.

22 **(4) EXCEPTIONS.** A consumer reporting agency may not disclose to an individual
23 making a request under sub. (1) any of the following:

24 (a) The sources of any information that was both acquired solely for use in
25 preparing an investigative consumer report and used for no other purpose.

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1 (b) Any credit score or other risk score or predictor relating to the consumer.

2 **224.997 Penalties.** Any person who violates this subchapter may be fined not
3 more than \$500 for the first offense and may be fined not more than \$1,000 or
4 imprisoned for not more than 6 months or both for each subsequent offense occurring
5 within 6 months.

6 (END)