

**2003 DRAFTING REQUEST**

**Bill**

Received: **10/07/2002**

Received By: **rmarchan**

Wanted: **As time permits**

Identical to LRB:

For: **Jon Erpenbach (608) 266-6670**

By/Representing: **julie**

This file may be shown to any legislator: **NO**

Drafter: **rmarchan**

May Contact:

Addl. Drafters:

Subject: **Fin. Inst. - miscellaneous**

Extra Copies:

Submit via cmail: **YES**

Requester's email: **Sen.Erpenbach@legis.state.wi.us**

Carbon copy (CC:) to: **robert.marchant@legis.state.wi.us**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Free copy of credit report an information provided by credit reporting agencies

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**Instructions:**

Per 2001 SB-135

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rmarchan 10/07/2002	kgilfoy 10/17/2002		_____			State
/1	rmarchan 12/12/2002	kgilfoy 12/12/2002	rschluet 10/18/2002	_____	mbarman 10/18/2002		State Crime
/2			jfrantze	_____	lemery	amentkow	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			12/12/2002 _____		12/12/2002	02/05/2003	

FE Sent For:

<END>

↳ AT  
Intro.

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/2			jfrantze	_____	lemery		

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			12/12/2002 _____		12/12/2002		

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**Instructions:**

Per 2001 SB-135

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/?	rmarchan 10/07/2002	kgilfoy 10/17/2002		_____			State
/1			rschlue 10/18/2002	_____	mbarman 10/18/2002		

*J* 12/12 *Jeph*  
12/12

10/18/2002 09:38:31 AM

Page 2

**LRB-0381**

FE Sent For:

<END>

**2003 DRAFTING REQUEST**

**Bill**

Received: 10/07/2002

Received By: **rmarchan**

Wanted: **As time permits**

Identical to LRB:

For: **Jon Erpenbach (608) 266-6670**

By/Representing: **julie**

This file may be shown to any legislator: **NO**

Drafter: **rmarchan**

May Contact:

Addl. Drafters:

Subject: **Fin. Inst. - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Erpenbach@legis.state.wi.us**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Free copy of credit report an information provided by credit reporting agencies

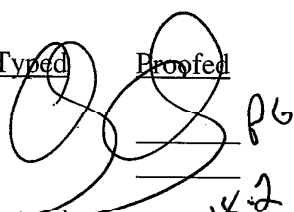
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**Instructions:**

Per 2001 SB-135 + SA 1

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**Drafting History:**

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1?	rmarchan	11-10/17 KMG		PG			
				10-18-2			

FE Sent For:

<END>

1010-7

3 4  
2001 - 2002 LEGISLATURE

038111  
LRB-2088T  
RJM:km

King (for me)  
NOTE

# 2001 SENATE BILL 135

April 11, 2001 - Introduced by Senators ERPENBACH, BURKE, RISSE, 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.

Gen. Cat.

1 AN ACT *to create* subchapter V of chapter 224 [precedes 224.991] of the statutes;  
2 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



**SENATE BILL 135**

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.

✓  
205221  
2-1 →

*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 <sup>that</sup> 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:

**SENATE BILL 135**

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~~ <sup>on which</sup>

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 <sup>on which</sup> ~~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

SENATE BILL 135

SECTION 1

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

3 (1) The fact that the consumer reporting agency has disclosed information  
4 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.

7 **224.997 Penalties.** Any person who violates this subchapter may be fined not  
8 more than \$500 for the first offense and may be fined not more than \$1,000 or  
9 imprisoned for not more than 6 months or both for each subsequent offense occurring  
10 within 6 months.

11 (END)

INSERT 2-1 ✓

§ SEC #. CR; 220.02 (2)(e) :

<sup>e</sup>  
§ 220.02 (2)(e) Consumer reporting agencies under subch. V  
of ch. 224.

(nd ms)

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0381/1dn

RJM:

*King*

*You may want to consider, instead,  
placing these requirements in a chapter  
that DATCP enforces.*

Senator Erpenbach:

This bill is based on 2001 SB-135. I added language that specifically directs DFI to enforce the requirements established in this bill. This language addresses a concern raised by DFI when it prepared its fiscal estimate for SB-135. Please let me know if you have any questions or desire any changes.

*2001*

Robert J. Marchant  
Legislative Attorney  
Phone: (608) 261-4454  
E-mail: robert.marchant@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0381/1dn  
RJM:kmg:rs

October 18, 2002

Senator Erpenbach:

This bill is based on 2001 SB-135. I added language that specifically directs DFI to enforce the requirements established in this bill. This language addresses a concern raised by DFI when it prepared its fiscal estimate for 2001 SB-135. You may want to consider, instead, placing these requirements in a chapter that DATCP enforces. Please let me know if you have any questions or desire any changes.

Robert J. Marchant  
Legislative Attorney  
Phone: (608) 261-4454  
E-mail: [robert.marchant@legis.state.wi.us](mailto:robert.marchant@legis.state.wi.us)

SODU

2003 BILL

RvNK  
DNOT3

Sen. Cat

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

**BILL**

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.** 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  
18 a written disclosure report within 5 business days after receiving the written  
19 request.



**BILL**

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

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

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

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

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

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

13          (f) A clear and concise explanation of the contents of the written disclosure  
14 report.

15          (g) A summary of rights.

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

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

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

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



DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0381/1dn<sup>2</sup>  
RJM:kmg:rs

~~October 17~~, 2002

December 12<sup>?</sup>

Senator Erpenbach:

This bill is based on 2001 SB-135. I added language that specifically directs DFI to enforce the requirements established in this bill. This language addresses a concern raised by DFI when it prepared its fiscal estimate for 2001 SB-135. You may want to consider, instead, placing these requirements in a chapter that DATCP enforces. Please let me know if you have any questions or desire any changes.

Robert J. Marchant  
Legislative Attorney  
Phone: (608) 261-4454  
E-mail: robert.marchant@legis.state.wi.us

This redraft fixes an omission in the analysis regarding the fact that the bill creates a crime. I apologize for any inconvenience. The actual text of the bill is unchanged.

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0381/2dn  
RJM:kmg:jf

December 12, 2002

Senator Erpenbach:

This redraft fixes an omission in the analysis regarding the fact that the bill creates a crime. I apologize for any inconvenience. The actual text of the bill is unchanged.

Robert J. Marchant  
Legislative Attorney  
Phone: (608) 261-4454  
E-mail: [robert.marchant@legis.state.wi.us](mailto:robert.marchant@legis.state.wi.us)

**Mentkowski, Annie**

---

**From:** Templeton, Carrie  
**Sent:** Wednesday, February 05, 2003 10:59 AM  
**To:** Mentkowski, Annie  
**Subject:** RE: LRB-0381 per your request

Thank you. Can I email you to request this bill be jacketed or do I need to request that from someone else?

*Carrie Templeton  
Office of Senator Jon Erpenbach  
27th District*

-----Original Message-----

**From:** Mentkowski, Annie  
**Sent:** Wednesday, February 05, 2003 9:39 AM  
**To:** Sen.Erpenbach  
**Subject:** LRB-0381 per your request

02/05/2003