



2013 ASSEMBLY BILL 248

1 **AN ACT** *to create* 100.545 of the statutes; **relating to:** restricting the release of
2 credit information about certain protected individuals and providing a penalty.

Analysis by the Legislative Reference Bureau

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

3 **SECTION 1.** 100.545 of the statutes is created to read:

4 **100.545 Security freezes for protected consumers. (1) DEFINITIONS.** In
5 this section:

6 (a) "Consumer report" has the meaning given in 15 USC 1681a (d).

7 (b) "Consumer reporting agency" has the meaning given in s. 15 USC 1681a (f).

8 (c) "Protected consumer" means an individual who is one of the following:

9 1. Under the age of 16 years at the time a request for the placement of a security
10 freeze is made under sub. (3) (a).

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1 2. An individual for whom a guardian or conservator has been appointed.

2 (d) “Record” means a compilation of information about a protected consumer
3 that satisfies all of the following:

4 1. The compilation identifies the protected consumer.

5 2. The compilation is created by a consumer reporting agency solely for the
6 purpose of complying with this section.

7 (e) “Representative” means a person who provides to a consumer reporting
8 agency sufficient proof of authority to act on behalf of a protected consumer.

9 (f) “Security freeze for a protected consumer” means one of the following:

10 1. If a consumer reporting agency does not have a file pertaining to a protected
11 consumer, a restriction placed on the protected consumer’s record that prohibits,
12 except as provided in this section, the consumer reporting agency from releasing the
13 protected consumer’s record.

14 2. If a consumer reporting agency has a file pertaining to the protected
15 consumer, a restriction placed on the protected consumer’s credit report that
16 prohibits, except as provided in this section, the consumer reporting agency from
17 releasing the protected consumer’s credit report or any information derived from the
18 protected consumer’s credit report.

19 (g) “Sufficient proof of authority” means documentation that shows a
20 representative has authority to act on behalf of a protected consumer, including any
21 of the following:

22 1. An order issued by a court.

23 2. A lawfully executed and valid power of attorney.

24 3. A written, notarized statement signed by a representative that expressly
25 describes the authority of the representative to act on behalf of a protected consumer.

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1 (h) “Sufficient proof of identification” means information or documentation
2 that identifies a protected consumer or a representative of a protected consumer,
3 including any of the following:

4 1. A social security number or a copy of a social security card issued by the social
5 security administration.

6 2. A certified or official copy of a birth certificate issued by the entity authorized
7 to issue the birth certificate.

8 3. A copy of an operator’s license issued under ch. 343 or under a comparable
9 law of another state, an identification card issued under s. 343.50 or under a
10 comparable law of another state, or any other government issued identification.

11 (2) EXCEPTIONS. This section does not apply to the use of a protected consumer’s
12 credit report or record by any of the following:

13 (a) A person administering a credit file monitoring subscription service to
14 which the protected consumer has subscribed or the representative of the protected
15 consumer has subscribed on behalf of the protected consumer.

16 (b) A person providing the protected consumer or the protected consumer’s
17 representative with a copy of the protected consumer’s credit report on request of the
18 protected consumer or the protected consumer’s representative.

19 (c) A person exempted under s. 100.54 (8) from the requirements of s. 100.54.

20 (d) An insurance company for the purpose of conducting its ordinary business.

21 (e) A consumer reporting agency’s database or file that consists of information
22 concerning, and used for, one or more of the following, but not for credit granting
23 purposes:

24 1. Criminal record information.

25 2. Fraud prevention or detection.

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1 3. Personal loss history information.

2 4. Employment, tenant, or other background screening.

3 **(3) PLACEMENT OF SECURITY FREEZE.** (a) A consumer reporting agency shall place
4 a security freeze for a protected consumer if the consumer reporting agency receives
5 a request from the protected consumer's representative for the placement of the
6 security freeze and the protected consumer's representative does all of the following:

7 1. Submits the request to the consumer reporting agency at the address or other
8 point of contact and in the manner specified by the consumer reporting agency.

9 2. Provides to the consumer reporting agency sufficient proof of identification
10 of the protected consumer and the representative.

11 3. Provides to the consumer reporting agency sufficient proof of authority to act
12 on behalf of the protected consumer.

13 4. Pays to the consumer reporting agency a fee as provided in sub. (5).

14 (b) If a consumer reporting agency does not have a file pertaining to a protected
15 consumer when the consumer reporting agency receives a request under par. (a), the
16 consumer reporting agency shall create a record for the protected consumer. Upon
17 receiving the request, the consumer reporting agency shall verify that no file
18 pertains to the protected consumer by checking for existing files relating to the
19 protected consumer's name and social security number and for existing files relating
20 only to the protected consumer's social security number. A record created under this
21 paragraph may not be used to consider the protected consumer's creditworthiness,
22 credit standing, credit capacity, character, general reputation, personal
23 characteristics, or mode of living.

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1 (c) Within 30 days after receiving a request that meets the requirements of par.
2 (a), a consumer reporting agency shall place a security freeze for the protected
3 consumer.

4 (d) Unless a security freeze for a protected consumer is removed in accordance
5 with sub. (4) or (6), a consumer reporting agency may not release the protected
6 consumer's credit report, any information derived from the protected consumer's
7 credit report, or any record created for the protected consumer.

8 (e) A security freeze for a protected consumer placed under par. (c) remains in
9 effect until one of the following occurs:

10 1. The protected consumer or the protected consumer's representative requests
11 the consumer reporting agency to remove the security freeze in accordance with sub.
12 (4).

13 2. The security freeze is removed in accordance with sub. (6).

14 (4) REMOVAL OF SECURITY FREEZE. (a) If a protected consumer or a protected
15 consumer's representative wishes to remove a security freeze for the protected
16 consumer, the protected consumer or the protected consumer's representative shall
17 do all of the following:

18 1. Submit a request for the removal of the security freeze to the consumer
19 reporting agency at the address or other point of contact and in the manner specified
20 by the consumer reporting agency.

21 2. Provide to the consumer reporting agency sufficient proof of identification
22 of the protected consumer and one of the following:

23 a. For a request by the protected consumer, proof that the sufficient proof of
24 authority for the protected consumer's representative to act on behalf of the
25 protected consumer is no longer valid.

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1 b. For a request by the representative of the protected consumer, sufficient
2 proof of identification of the representative and sufficient proof of authority to act on
3 behalf of the protected consumer.

4 3. Pay to the consumer reporting agency a fee as provided in sub. (5).

5 (b) Within 30 days after receiving a request that meets the requirements of par.
6 (a), the consumer reporting agency shall remove the security freeze for the protected
7 consumer.

8 **(5) FEES.** (a) Except as provided in par. (b), a consumer reporting agency may
9 not charge a fee for any service performed under this section.

10 (b) A consumer reporting agency may charge a reasonable fee, not exceeding
11 \$10, for each placement or removal of a security freeze for a protected consumer.

12 (c) Notwithstanding par. (b), a consumer reporting agency may not charge any
13 fee under this section if any of the following applies:

14 1. The protected consumer's representative has obtained a police report or
15 affidavit of alleged identity fraud against the protected consumer and provides a
16 copy of the report or affidavit to the consumer reporting agency.

17 2. A request for the placement or removal of a security freeze is for a protected
18 consumer who is under the age of 16 years at the time of the request and the
19 consumer reporting agency has a file pertaining to the protected consumer.

20 **(6) MATERIAL MISREPRESENTATIONS.** A consumer reporting agency may remove
21 a security freeze for a protected consumer or delete a record of a protected consumer
22 if the security freeze was placed or the record was created based on a material
23 misrepresentation of fact by the protected consumer or the protected consumer's
24 representative.

