



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2001 Senate Bill 135

Assembly Amendment 1

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Current Wisconsin law does not regulate disclosure of credit reports to consumers by a credit reporting agency. Federal law, known as the Fair Credit Reporting Act (FCRA), requires that a credit reporting agency provide a consumer with the following information upon request:

1. All information contained in the agency files regarding the consumer.
2. The sources of all of the information contained in the file.
3. The recipients of any credit report concerning the consumer.
4. Any information regarding checks that form the basis of an adverse characterization of the consumer.
5. A record of specific inquiries received by a credit reporting agency that identify the consumer.

The FCRA generally permits credit reporting agencies to charge up to \$8 per consumer for such disclosures. If the request is made pursuant to a denial of credit or to a notice that the consumer's credit may be adversely affected, the disclosure must be made to the consumer, upon his or her request, free of charge.

2001 Senate Bill 135 requires a consumer credit reporting agency to disclose the following information to an individual, upon his or her request, within five days:

1. A current consumer report pertaining to the individual.
2. The date of each request for credit information pertaining to the individual received by the consumer reporting agency during the prior 12 months.

3. The name of each person requesting credit information during the prior 12 months.
4. The dates, original payees, and amounts of any checks upon which any adverse characterization of the consumer is based.
5. Any other information provided in the file.
6. A clear and concise explanation of the contents of the written disclosure report.
7. A summary of rights.

The consumer reporting agency may not disclose: (1) the source of information used solely for preparing an investigative consumer report and for no other purpose; or (2) any credit score or other risk score relating to the consumer.

The bill requires that the written disclosure report must be made free of charge unless the individual has previously requested the report during the preceding 12 months.

The bill also requires that when a consumer reporting agency discloses an individual's information to any person other than that individual, the agency must notify the individual of the following, in writing:

1. The fact that the individual's information has been disclosed.
2. The date of the disclosure.
3. The name and address of the person to whom the disclosure was made.

Finally, the bill establishes a penalty of \$500 for the first offense and \$1,000 or six months imprisonment or both for each subsequent offense occurring within six months of the prior offense.

Senate Amendment 1 deletes the requirement that a consumer reporting agency notify an individual when the agency discloses the individual's information to any person other than the individual.

Senate Amendment 1 was recommended by the Senate Committee on Privacy, Electronic Commerce and Financial Institutions by a vote of Ayes, 5; Noes, 0; on October 2, 2001.

2001 Senate Bill 135 was recommended for passage by the Senate Committee on Privacy, Electronic Commerce and Financial Institutions by a vote of Ayes, 3; Noes, 2; on October 2, 2001.

DWS:ksm:tlu;ksm