



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2005 Assembly Bill 912

**Assembly Substitute
Amendment 1 and Assembly
Amendments 1 and 2 to the
Substitute Amendment**

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Contact: Anne Sappenfield, Senior Staff Attorney (267-9485)

2005 Assembly Bill 912 requires a consumer reporting agency to include a security freeze with an individual's consumer report if the individual requests the security freeze, provides the consumer reporting agency with proper identification, and, if applicable, pays a fee charged by the consumer reporting agency, not to exceed \$10. In general, if an individual's consumer report includes a security freeze, a consumer reporting agency may not release the consumer report to any person for any purpose related to the extension of credit. An individual may authorize a consumer reporting agency to release the report for a specified period of time by contacting the consumer reporting agency, providing proper identification and a personal identification number assigned to the individual, specifying the time period for which the release is authorized, and, if applicable, paying a fee not to exceed \$10.

ASSEMBLY SUBSTITUTE AMENDMENT 1

The substitute amendment makes the following changes to the bill:

- *The bill* requires a consumer to request that a consumer reporting agency include a security freeze with the individual's consumer report by sending a request by certified mail to an address designated by the consumer reporting agency. *The substitute amendment* additionally permits a consumer to request a security freeze by sending a request directly to the consumer reporting agency by any other means that the consumer reporting agency may provide.

- *The bill* provides that a consumer reporting agency may not change an individual's name, date of birth, social security number, or address if the consumer reporting agency includes a security freeze in the individual's consumer report *unless*, no later than 30 business days before or after changing the information, the consumer reporting agency sends written notice of the change to the individual. *The substitute amendment* requires the consumer reporting agency to notify the individual within 30 business days of changing the information, instead of no later than 30 business days before or after changing the information.

- *The substitute amendment* contains a new provision under which any person who fails to comply with the requirements of the bill is liable for any actual damages sustained by an individual as a result of the failure and the costs of the action, including reasonable attorney's fees.
- *The substitute amendment* changes the phrase "multiple consumer credit reporting agencies" to "multiple consumer reporting agencies" in the definition of "reseller" to be consistent with other provisions of the bill.

ASSEMBLY AMENDMENT 1 TO ASSEMBLY SUBSTITUTE AMENDMENT 1

The substitute amendment provides that any person who obtains a consumer report from a consumer reporting agency, requests a consumer reporting agency to include or remove a security freeze in a consumer report, or authorizes a consumer reporting agency to release a consumer report that contains a security freeze, under false pretenses or in knowing violation, or in an attempt to violate, the provisions of the bill or federal law, is liable to the consumer reporting agency for actual damages sustained by the consumer reporting agency or \$1,000, whichever is greater.

Assembly Amendment 1 provides that, in a cause of action alleging an attempt to violate the provisions of the bill or federal law, there must be a showing that the person attempted to *knowingly* violate the provisions of the bill or federal law.

ASSEMBLY AMENDMENT 2 TO ASSEMBLY SUBSTITUTE AMENDMENT 1

The substitute amendment provides that the provisions of the bill do not apply to an individual's consumer report that a consumer reporting agency releases to a subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom the individual has authorized release of the consumer report.

Because the substitute amendment does not permit a consumer to release a consumer report to a particular person, but instead for a specified period of time, *Assembly Amendment 2* provides that the provisions of the bill do not apply to an individual's consumer report that a consumer reporting agency releases to a subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom the consumer reporting agency has released the consumer report *during the time period* authorized by the individual.

Legislative History

Assembly Substitute Amendment 1 and Assembly Amendments 1 and 2 to the substitute amendment were offered by the Assembly Committee on State Affairs. On January 24, 2006, the Assembly Committee on State Affairs recommended adoption of the amendments and passage of the bill, as amended, on votes of Ayes, 9; Noes, 0.

AS:ksm