

FIRST REGULAR SESSION

# SENATE BILL NO. 507

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR GREEN.

Read 1st time February 14, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

2196S.011

## AN ACT

To amend chapter 407, RSMo, by adding thereto three new sections relating to consumer credit reports.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 407, RSMo, is amended by adding thereto three new sections, to be known as sections 407.1380, 407.1382, and 407.1384, to read as follows:

**407.1380. As used in sections 407.1380 to 407.1384, the following terms shall mean:**

(1) "Consumer", any individual;

(2) "Consumer credit reporting agency", any entity that, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages, in whole or in part, in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer credit reports to third parties;

(3) "Credit report", any written or electronic communication of any information by a consumer credit reporting agency that in any way bears upon a person's credit worthiness, credit capacity, or credit standing;

(4) "Security freeze", a notice placed in a consumer's credit report, at the request of the consumer, that prohibits the consumer credit reporting agency from releasing the consumer's credit report or any information contained in the report without the express authorization of the consumer.

**407.1382. 1. A consumer may request that a consumer credit reporting agency place a security freeze on that consumer's credit report, if that request is made:**

4 (1) In writing by certified mail or personal delivery; or

5 (2) By other reliable means, including Internet, telephone, or  
6 facsimile; and

7 (3) Proper identification is presented to adequately identify the  
8 requestor as the consumer subject to the credit report.

9 2. A consumer credit reporting agency shall honor a consumer's  
10 request for a security freeze, free of charge, within five days of receipt  
11 of such request.

12 3. A consumer credit reporting agency shall, within ten days of  
13 placing a security freeze on the consumer's credit report, send the  
14 consumer:

15 (1) Written confirmation of compliance with the consumer's  
16 request;

17 (2) Instructions explaining the process of placing, removing, and  
18 temporarily lifting a security freeze and the process for allowing access  
19 to information from the consumer's credit report for a specific  
20 requestor;

21 (3) A unique personal identification number or password to be  
22 used by the consumer to remove temporarily or permanently the  
23 security freeze or designate a specific requestor for receipt of the  
24 credit report despite the security freeze.

25 4. A consumer credit reporting agency shall not furnish a credit  
26 report to any person if the consumer who is subject to the credit report  
27 has requested a security freeze be placed on that report unless the  
28 credit report:

29 (1) Is requested by the consumer who is subject to the report;

30 (2) Is furnished under a court order;

31 (3) Is furnished during a period in which the consumer has  
32 temporarily removed the freeze;

33 (4) Is requested by a specific person whom the consumer has  
34 identified as eligible for receipt of the credit report under subsection  
35 5 of this section, despite the consumer's request for a security freeze;  
36 or

37 (5) Is furnished to a person with whom the consumer has a  
38 debtor-creditor relationship.

39 5. A consumer may request that the consumer credit reporting  
40 agency furnish a credit report to a designated person despite the

41 consumer request for a security freeze under subsection 1 of this  
42 section, if that request is made:

43 (1) In writing by certified mail or personal delivery; or

44 (2) By other reliable means, including Internet, telephone, or  
45 facsimile; and

46 (3) Proper identification is presented to adequately identify the  
47 requestor as the consumer subject to the credit report.

48 6. A consumer credit reporting agency shall remove a security  
49 freeze within three business days of receiving a request for removal  
50 from a consumer when such consumer provides:

51 (1) Proper identification to adequately identify the requestor as  
52 the consumer who is subject to the credit report; and

53 (2) The unique personal identification number or password  
54 issued to the consumer for temporarily or permanently removing the  
55 security freeze.

407.1384. 1. Any consumer credit reporting agency that fails to  
2 comply with the provisions of sections 407.1380 to 407.1384 shall be  
3 liable to the consumer who is subject to the credit report in an amount  
4 equal to:

5 (1) Any actual damages sustained by the consumer due to such  
6 failure; and

7 (2) Any court costs and fees assessed in maintaining the action,  
8 as well as reasonable attorney's fees.

9 2. In addition to the foregoing monetary sums, a court, upon  
10 request of the damaged consumer, shall award such equitable relief as  
11 may be necessary to restore the damaged consumer's credit and to  
12 discourage future violations of sections 407.1380 to 407.1384 by the  
13 consumer credit reporting agency.

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