

7349--D

2005-2006 Regular Sessions

I N A S S E M B L Y

April 14, 2005

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AN ACT to amend the general business law, in relation to placing security freezes on consumer reports

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Section 380-a of the general business law is amended by
- 2 adding four new subdivisions (k), (l), (m) and (n) to read as follows:
- 3 (K) THE TERM "CONSUMER CREDIT REPORTING AGENCY" MEANS
- 4 A CONSUMER
- 5 REPORTING AGENCY THAT REGULARLY ENGAGES IN THE PRACTICE
- 6 OF ASSEMBLING OR
- 7 EVALUATING AND MAINTAINING, FOR THE PURPOSE OF FURNISHING
- 8 CONSUMER CRED-
- 9 IT REPORTS TO THIRD PARTIES BEARING ON A CONSUMER`S CREDIT
- 10 WORTHINESS,
- 11 CREDIT STANDING, OR CREDIT CAPACITY, PUBLIC RECORD
- 12 INFORMATION AND CRED-
- 13 IT ACCOUNT INFORMATION FROM PERSONS WHO FURNISH THAT
- 14 INFORMATION REGU-
- 15 LARLY AND IN THE ORDINARY COURSE OF BUSINESS.
- 16 (L) THE TERM "CONSUMER CREDIT REPORT" MEANS A CONSUMER
- 17 REPORT ASSEM-
- 18 BLED, EVALUATED OR MAINTAINED BY A CONSUMER CREDIT
- 19 REPORTING AGENCY,

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
{ } is old law to be omitted.

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- 1 BEARING ON A CONSUMER`S CREDIT WORTHINESS, CREDIT
- 2 STANDING, OR CREDIT
- 3 CAPACITY.

3 (M) THE TERM "SECURITY FREEZE" OR "FREEZE" MEANS A NOTICE  
4 PLACED IN

5 THE CONSUMER CREDIT REPORT OF OR RELATING TO A CONSUMER,  
6 AT THE REQUEST

7 OF SUCH CONSUMER AND SUBJECT TO CERTAIN EXCEPTIONS, THAT  
8 PROHIBITS THE

9 CONSUMER CREDIT REPORTING AGENCY FROM RELEASING THE  
10 CONSUMER CREDIT

11 REPORT, THE CONTENTS OF SUCH REPORT OR THE CREDIT SCORE OF  
12 SUCH CONSUM-

13 ER.

14 (N) THE TERM "PROPER IDENTIFICATION" MEANS INFORMATION  
15 GENERALLY

16 DEEMED SUFFICIENT TO IDENTIFY A PERSON.

17 S 2. Section 380-t of the general business law, as relettered by chap-  
18 ter 619 of the laws of 2002, is relettered section 380-u and a new  
19 section 380-t is added to read as follows:

20 S 380-T. SECURITY FREEZE. (A) A CONSUMER MAY REQUEST THAT A  
21 SECURITY

22 FREEZE BE PLACED ON HIS OR HER CONSUMER CREDIT REPORT BY  
23 SENDING A

24 REQUEST IN WRITING BY CERTIFIED MAIL OR BY OVERNIGHT MAIL  
25 TO A CONSUMER

26 CREDIT REPORTING AGENCY AT AN ADDRESS DESIGNATED BY THE  
27 CONSUMER CREDIT

28 REPORTING AGENCY TO RECEIVE SUCH REQUESTS.

29 (B) A CONSUMER CREDIT REPORTING AGENCY THAT RECEIVES  
30 FROM A CONSUMER A

31 WRITTEN REQUEST IN ACCORDANCE WITH SUBDIVISION (A) OF  
32 THIS SECTION

33 SHALL, PROVIDED SUCH WRITTEN REQUEST IS ACCOMPANIED BY  
34 PROPER IDENTIFI-

35 CATION AND PAYMENT OF ANY APPLICABLE FEE, PLACE A SECURITY  
36 FREEZE ON THE

37 CONSUMER CREDIT REPORT OF OR RELATING TO SUCH CONSUMER  
38 NO LATER THAN

39 FIVE BUSINESS DAYS AFTER RECEIVING SUCH WRITTEN REQUEST,  
40 PROVIDED,

41 HOWEVER, THAT FOR WRITTEN REQUESTS RECEIVED ON OR AFTER  
42 JANUARY FIRST,

43 TWO THOUSAND EIGHT, SUCH CONSUMER CREDIT REPORTING  
44 AGENCY SHALL PLACE A

45 SECURITY FREEZE ON THE CONSUMER CREDIT REPORT OF OR  
46 RELATING TO SUCH

47 CONSUMER NO LATER THAN FOUR BUSINESS DAYS AFTER  
48 RECEIVING SUCH WRITTEN

29 REQUEST, PROVIDED FURTHER, HOWEVER, THAT FOR WRITTEN  
REQUESTS RECEIVED

30 ON OR AFTER JANUARY FIRST, TWO THOUSAND NINE, SUCH  
CONSUMER CREDIT

31 REPORTING AGENCY SHALL PLACE A SECURITY FREEZE ON THE  
CONSUMER CREDIT

32 REPORT OF OR RELATING TO SUCH CONSUMER NO LATER THAN  
THREE BUSINESS DAYS

33 AFTER RECEIVING SUCH WRITTEN REQUEST. NOTHING IN THIS  
SUBDIVISION SHALL

34 BE CONSTRUED TO PREVENT A CONSUMER CREDIT REPORTING  
AGENCY FROM ADVISING

35 A THIRD PARTY THAT A SECURITY FREEZE IS IN EFFECT WITH  
RESPECT TO THE

36 CONSUMER CREDIT REPORT OF OR RELATING TO SUCH CONSUMER.

37 (C) THE CONSUMER CREDIT REPORTING AGENCY SHALL SEND A  
WRITTEN CONFIR-

38 MATION OF THE PLACEMENT OF A SECURITY FREEZE TO THE  
CONSUMER WITHIN TEN

39 BUSINESS DAYS OF PLACING SUCH FREEZE. UPON PLACING THE  
SECURITY FREEZE

40 ON THE CONSUMER CREDIT REPORT OF OR RELATING TO SUCH  
CONSUMER, THE

41 CONSUMER CREDIT REPORTING AGENCY SHALL PROVIDE THE  
CONSUMER WITH A

42 UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD, OR  
OTHER DEVICE TO BE

43 USED BY THE CONSUMER WHEN PROVIDING AUTHORIZATION FOR  
THE RELEASE OF HIS

44 OR HER CONSUMER CREDIT REPORT FOR A SPECIFIC PARTY OR  
SPECIFIC PERIOD OF

45 TIME.

46 (D) IF THE CONSUMER WISHES TO ALLOW HIS OR HER CONSUMER  
CREDIT REPORT

47 TO BE ACCESSED FOR A SPECIFIC PARTY OR A SPECIFIC PERIOD OF  
TIME WHILE A

48 FREEZE IS IN PLACE, HE OR SHE SHALL CONTACT THE CONSUMER  
CREDIT REPORT-

49 ING AGENCY VIA CERTIFIED MAIL, OVERNIGHT MAIL, TELEPHONE OR  
OTHER METHOD

50 DEVELOPED BY SUCH CONSUMER CREDIT REPORTING AGENCY  
PURSUANT TO SUBDIVI-

51 SION (F) OF THIS SECTION USING A POINT OF CONTACT  
DESIGNATED BY SUCH

52 CONSUMER CREDIT REPORTING AGENCY, REQUEST THAT THE FREEZE  
BE TEMPORARILY

53 LIFTED, AND PROVIDE THE FOLLOWING:

54 (1) PROPER IDENTIFICATION;

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1 (2) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR PASSWORD  
PROVIDED BY

2 THE CONSUMER CREDIT REPORTING AGENCY PURSUANT TO  
SUBDIVISION (C) OF THIS

3 SECTION;

4 (3) THE PROPER INFORMATION REGARDING THE PARTY TO WHICH  
THE CONSUMER

5 CREDIT REPORT SHOULD BE AVAILABLE OR THE TIME PERIOD FOR  
WHICH THE

6 CONSUMER CREDIT REPORT SHALL BE AVAILABLE TO USERS OF SUCH  
REPORT; AND

7 (4) PAYMENT OF ANY APPLICABLE FEE.

8 (E) A CONSUMER CREDIT REPORTING AGENCY THAT RECEIVES A  
REQUEST FROM A

9 CONSUMER TO TEMPORARILY LIFT A FREEZE ON A CONSUMER  
CREDIT REPORT PURSU-

10 ANT TO SUBDIVISION (D) OF THIS SECTION, SHALL COMPLY WITH THE  
REQUEST NO

11 LATER THAN THREE BUSINESS DAYS AFTER RECEIVING SUCH  
REQUEST.

12 (F) A CONSUMER CREDIT REPORTING AGENCY MAY DEVELOP  
PROCEDURES INVOLV-

13 ING OTHER METHODS OF COMMUNICATION, INCLUDING THE USE OF  
THE INTERNET,

14 OR OTHER ELECTRONIC MEDIA TO RECEIVE AND PROCESS A  
REQUEST FROM A

15 CONSUMER TO TEMPORARILY LIFT A FREEZE ON A CONSUMER  
CREDIT REPORT PURSU-

16 ANT TO SUBDIVISION (D) OF THIS SECTION IN AN EXPEDITED  
MANNER.

17 (G) THE CONSUMER PROTECTION BOARD SHALL MONITOR THE  
STATE OF TECHNOLO-

18 GY RELATING TO THE MEANS AVAILABLE TO PROCESS REQUESTS  
FOR THE LIFTING

19 OR REMOVAL OF A SECURITY FREEZE, AND SHALL REPORT TO THE  
LEGISLATURE

20 WHEN IT IS DETERMINED THAT THE TECHNOLOGY TO PROCESS  
REQUESTS FOR THE

21 LIFTING OR REMOVAL OF A SECURITY FREEZE IN A SHORTER PERIOD  
OF TIME THAN

22 THAT SET FORTH IN SUBDIVISION (E) OF THIS SECTION IS AVAILABLE.

23 (H) A CONSUMER CREDIT REPORTING AGENCY SHALL REMOVE OR  
TEMPORARILY

24 LIFT A FREEZE PLACED ON THE CONSUMER CREDIT REPORT OF OR  
RELATING TO A

25 CONSUMER ONLY IN THE FOLLOWING CASES:

26 (1) UPON CONSUMER REQUEST, PURSUANT TO SUBDIVISION (D) OR  
(K) OF THIS

27 SECTION; OR

28 (2) IF THE CONSUMER CREDIT REPORT OF OR RELATING TO SUCH  
CONSUMER WAS

29 FROZEN DUE TO A MATERIAL MISREPRESENTATION OF FACT BY THE  
CONSUMER. IF

30 A CONSUMER CREDIT REPORTING AGENCY INTENDS TO REMOVE A  
FREEZE UPON A

31 CONSUMER CREDIT REPORT PURSUANT TO THIS PARAGRAPH, THE  
CONSUMER CREDIT

32 REPORTING AGENCY SHALL NOTIFY THE CONSUMER IN WRITING  
PRIOR TO REMOVING

33 THE FREEZE ON SUCH CONSUMER CREDIT REPORT.

34 (I) IF A THIRD PARTY REQUESTS ACCESS TO A CONSUMER CREDIT  
REPORT ON

35 WHICH A SECURITY FREEZE IS IN EFFECT, AND THIS REQUEST IS IN  
CONNECTION

36 WITH AN APPLICATION FOR CREDIT OR ANY OTHER USE, AND THE  
CONSUMER DOES

37 NOT ALLOW HIS OR HER CONSUMER CREDIT REPORT TO BE  
ACCESSED FOR THAT

38 PERIOD OF TIME, THE THIRD PARTY MAY TREAT THE APPLICATION AS  
INCOMPLETE.

39 (J) IF A CONSUMER REQUESTS A SECURITY FREEZE, THE  
CONSUMER CREDIT

40 REPORTING AGENCY SHALL DISCLOSE THE PROCESS OF PLACING  
AND TEMPORARILY

41 LIFTING A FREEZE, AND THE PROCESS FOR ALLOWING ACCESS TO  
INFORMATION

42 FROM SUCH CONSUMER CREDIT REPORT FOR A SPECIFIC PARTY OR  
A PERIOD OF

43 TIME WHILE THE FREEZE IS IN PLACE.

44 (K) (1) A SECURITY FREEZE SHALL REMAIN IN PLACE UNTIL THE  
CONSUMER

45 REQUESTS, USING A POINT OF CONTACT DESIGNATED BY THE  
CONSUMER CREDIT

46 REPORTING AGENCY, THAT THE SECURITY FREEZE BE REMOVED AND  
PROVIDES THE

47 FOLLOWING:

48 (I) PROPER IDENTIFICATION;

49 (II) THE UNIQUE PERSONAL IDENTIFICATION NUMBER OR  
PASSWORD OR SIMILAR  
50 DEVICE PROVIDED BY THE CONSUMER CREDIT REPORTING AGENCY  
PURSUANT TO  
51 SUBDIVISION (C) OF THIS SECTION; AND  
52 (III) A FEE, IF APPLICABLE.  
53 (2) A CONSUMER CREDIT REPORTING AGENCY SHALL REMOVE A  
SECURITY FREEZE  
54 WITHIN THREE BUSINESS DAYS OF RECEIVING A REQUEST FOR  
REMOVAL FROM THE  
55 CONSUMER PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION.

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1 (L) A CONSUMER CREDIT REPORTING AGENCY SHALL REQUIRE  
PROPER IDENTIFI-  
2 CATION OF THE PERSON MAKING A REQUEST TO PLACE OR REMOVE  
A SECURITY  
3 FREEZE.  
4 (M) THE PROVISIONS OF THIS SECTION DO NOT APPLY TO THE USE  
OF A  
5 CONSUMER CREDIT REPORT BY ANY OF THE FOLLOWING:  
6 (1) A PERSON OR ENTITY, OR A SUBSIDIARY, AFFILIATE, OR AGENT  
OF THAT  
7 PERSON OR ENTITY, OR AN ASSIGNEE OF A FINANCIAL OBLIGATION  
OWING BY THE  
8 CONSUMER TO THAT PERSON OR ENTITY, OR A PROSPECTIVE  
ASSIGNEE OF A FINAN-  
9 CIAL OBLIGATION OWING BY THE CONSUMER TO THAT PERSON OR  
ENTITY IN  
10 CONJUNCTION WITH THE PROPOSED PURCHASE OF THE FINANCIAL  
OBLIGATION, WITH  
11 WHICH THE CONSUMER HAS OR HAD PRIOR TO ASSIGNMENT AN  
ACCOUNT OR  
12 CONTRACT, INCLUDING A DEMAND DEPOSIT ACCOUNT, OR TO WHOM  
THE CONSUMER  
13 ISSUED A NEGOTIABLE INSTRUMENT, FOR THE PURPOSES OF  
REVIEWING THE  
14 ACCOUNT OR COLLECTING THE FINANCIAL OBLIGATION OWING FOR  
THE ACCOUNT,  
15 CONTRACT, OR NEGOTIABLE INSTRUMENT. FOR PURPOSES OF THIS  
PARAGRAPH,  
16 "REVIEWING THE ACCOUNT" INCLUDES ACTIVITIES RELATED TO  
ACCOUNT MAINTENANCE,  
17 MONITORING, CREDIT LINE INCREASES, AND ACCOUNT  
UPGRADES AND

18 ENHANCEMENTS;  
19 (2) A SUBSIDIARY, AFFILIATE, AGENT, ASSIGNEE, OR PROSPECTIVE  
ASSIGNEE  
20 OF A PERSON TO WHOM ACCESS HAS BEEN GRANTED FOR PURPOSES  
OF FACILITATING  
21 THE EXTENSION OF CREDIT OR OTHER PERMISSIBLE USE;  
22 (3) ANY STATE OR LOCAL AGENCY, LAW ENFORCEMENT AGENCY,  
COURT, PRIVATE  
23 COLLECTION AGENCY, OR PERSON ACTING PURSUANT TO A COURT  
ORDER, WARRANT,  
24 OR SUBPOENA;  
25 (4) A CHILD SUPPORT AGENCY ACTING PURSUANT TO TITLE IV-D OF  
THE SOCIAL  
26 SECURITY ACT (42 U.S.C. ET SEQ.);  
27 (5) THE STATE OR ITS POLITICAL SUBDIVISIONS OR ITS AGENTS OR  
ASSIGNS  
28 ACTING TO INVESTIGATE FRAUD OR ACTING TO INVESTIGATE OR  
COLLECT DELIN-  
29 QUENT TAXES OR UNPAID COURT ORDERS OR TO FULFILL ANY OF ITS  
OTHER STATU-  
30 TORY RESPONSIBILITIES PROVIDED SUCH RESPONSIBILITIES ARE  
CONSISTENT WITH  
31 A PERMISSIBLE PURPOSE UNDER 15 U.S.C. SECTION 1681B;  
32 (6) THE USE OF CREDIT INFORMATION FOR THE PURPOSES OF  
PRESCREENING AS  
33 PROVIDED FOR BY THE FEDERAL FAIR CREDIT REPORTING ACT;  
34 (7) ANY PERSON OR ENTITY ADMINISTERING A CREDIT FILE  
MONITORING  
35 SUBSCRIPTION OR SIMILAR SERVICE TO WHICH THE CONSUMER HAS  
SUBSCRIBED; OR  
36 (8) ANY PERSON OR ENTITY FOR THE PURPOSE OF PROVIDING A  
CONSUMER WITH  
37 A COPY OF HIS OR HER CONSUMER CREDIT REPORT OR SCORE UPON  
THE REQUEST OF  
38 SUCH CONSUMER.  
39 (N) (1) NO CONSUMER CREDIT REPORTING AGENCY SHALL CHARGE A  
FEE TO A  
40 VICTIM OF IDENTITY THEFT WHO HAS SUBMITTED A COPY OF A  
SIGNED FEDERAL  
41 TRADE COMMISSION ID THEFT VICTIM'S AFFIDAVIT, OR A VALID  
POLICE REPORT  
42 TO SUCH CONSUMER CREDIT REPORTING AGENCY.  
43 (2) NO CONSUMER CREDIT REPORTING AGENCY SHALL CHARGE  
A FEE TO A  
44 CONSUMER REQUESTING THE PLACEMENT OF A SECURITY FREEZE  
WHEN SUCH CONSUM-

45 ER HAS NOT PREVIOUSLY REQUESTED THE PLACEMENT OF A  
SECURITY FREEZE FROM  
46 SUCH CONSUMER CREDIT REPORTING AGENCY. EXCEPT AS  
PROVIDED FOR IN PARA-  
47 GRAPH ONE OF THIS SUBDIVISION, A CONSUMER CREDIT REPORTING  
AGENCY MAY  
48 CHARGE A CONSUMER A FEE NOT TO EXCEED FIVE DOLLARS FOR  
THE PLACEMENT OF  
49 A SECOND OR SUBSEQUENT FREEZE OR FOR THE REMOVAL OF A  
FREEZE OR THE  
50 TEMPORARY LIFT OF A FREEZE FOR A SPECIFIC PARTY OR PERIOD OF  
TIME OR FOR  
51 THE ISSUANCE OF A REPLACEMENT PERSONAL IDENTIFICATION  
NUMBER OR PASSWORD  
52 WHEN THE CONSUMER FAILS TO RETAIN THE PERSONAL  
IDENTIFICATION NUMBER OR  
53 PASSWORD PROVIDED TO SUCH CONSUMER BY SUCH CONSUMER  
CREDIT REPORTING  
54 AGENCY PURSUANT TO SUBDIVISION (C) OF THIS SECTION.  
55 (O) IF A SECURITY FREEZE IS IN PLACE, A CONSUMER CREDIT  
REPORTING  
56 AGENCY SHALL NOT CHANGE ANY OF THE FOLLOWING OFFICIAL  
INFORMATION IN A

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1 CONSUMER CREDIT REPORT WITHOUT SENDING A WRITTEN  
CONFIRMATION OF THE  
2 CHANGE TO THE CONSUMER WITHIN THIRTY DAYS OF THE CHANGE  
BEING POSTED TO  
3 THE FILE OF OR RELATING TO SUCH CONSUMER: NAME, DATE OF  
BIRTH, SOCIAL  
4 SECURITY NUMBER, AND ADDRESS. WRITTEN CONFIRMATION IS NOT  
REQUIRED FOR  
5 TECHNICAL MODIFICATIONS OF THE OFFICIAL INFORMATION OF OR  
RELATING TO  
6 SUCH CONSUMER, INCLUDING NAME AND STREET ABBREVIATIONS,  
COMPLETE SPELL-  
7 INGS, OR TRANSPOSITION OF NUMBERS OR LETTERS. IN THE CASE OF  
AN ADDRESS  
8 CHANGE, THE WRITTEN CONFIRMATION SHALL BE SENT TO BOTH  
THE NEW ADDRESS  
9 AND TO THE FORMER ADDRESS.  
10 (P) THE FOLLOWING ENTITIES ARE NOT REQUIRED TO PLACE A  
SECURITY FREEZE  
11 ON A CONSUMER CREDIT REPORT:

12 (1) A CONSUMER CREDIT REPORTING AGENCY THAT ACTS ONLY AS  
A RESELLER OF  
13 CREDIT INFORMATION BY ASSEMBLING AND MERGING  
INFORMATION CONTAINED IN  
14 THE DATA BASE OF ANOTHER CONSUMER CREDIT REPORTING  
AGENCY OR MULTIPLE  
15 CONSUMER CREDIT REPORTING AGENCIES, AND DOES NOT  
MAINTAIN A PERMANENT  
16 DATA BASE OF CREDIT INFORMATION FROM WHICH NEW  
CONSUMER CREDIT REPORTS  
17 ARE PRODUCED. HOWEVER, A CONSUMER CREDIT REPORTING  
AGENCY ACTING AS A  
18 RESELLER SHALL HONOR ANY SECURITY FREEZE PLACED ON A  
CONSUMER CREDIT  
19 REPORT BY ANOTHER CONSUMER CREDIT REPORTING AGENCY;  
20 (2) A CHECK SERVICES OR FRAUD PREVENTION SERVICES  
COMPANY, WHICH  
21 ISSUES REPORTS ON INCIDENTS OF FRAUD OR AUTHORIZATIONS FOR  
THE PURPOSE  
22 OF APPROVING OR PROCESSING NEGOTIABLE INSTRUMENTS,  
ELECTRONIC FUNDS  
23 TRANSFERS, OR SIMILAR METHODS OF PAYMENTS; OR  
24 (3) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY,  
WHICH ISSUES  
25 REPORTS REGARDING ACCOUNT CLOSURES DUE TO FRAUD,  
SUBSTANTIAL OVERDRAFTS,  
26 ATM ABUSE, OR SIMILAR NEGATIVE INFORMATION REGARDING A  
CONSUMER, TO  
27 INQUIRING BANKS OR OTHER FINANCIAL INSTITUTIONS FOR USE  
ONLY IN REVIEW-  
28 ING A CONSUMER REQUEST FOR A DEPOSIT ACCOUNT AT THE  
INQUIRING BANK OR  
29 FINANCIAL INSTITUTION.  
30 (Q) (1) ANY TIME A CONSUMER CREDIT REPORTING AGENCY IS  
REQUIRED TO  
31 SEND A SUMMARY OF RIGHTS REQUIRED UNDER 15 U.S.C. SECTION  
1681G, TO A  
32 CONSUMER RESIDING IN THIS STATE THE FOLLOWING NOTICE  
SHALL BE INCLUDED  
33 WITH SUCH SUMMARY OF RIGHTS:  
34 "NEW YORK CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY  
FREEZE.  
35 YOU HAVE A RIGHT TO PLACE A "SECURITY FREEZE" ON YOUR  
CREDIT REPORT,  
36 WHICH WILL PROHIBIT A CONSUMER CREDIT REPORTING AGENCY  
FROM RELEASING

37 INFORMATION IN YOUR CREDIT REPORT WITHOUT YOUR EXPRESS  
AUTHORIZATION. A  
38 SECURITY FREEZE MUST BE REQUESTED IN WRITING BY CERTIFIED  
OR OVERNIGHT  
39 MAIL. THE SECURITY FREEZE IS DESIGNED TO PREVENT CREDIT,  
LOANS, AND  
40 SERVICES FROM BEING APPROVED IN YOUR NAME WITHOUT YOUR  
CONSENT. HOWEVER,  
41 YOU SHOULD BE AWARE THAT USING A SECURITY FREEZE TO TAKE  
CONTROL OVER  
42 WHO GETS ACCESS TO THE PERSONAL AND FINANCIAL INFORMATION  
IN YOUR CREDIT  
43 REPORT MAY DELAY, INTERFERE WITH, OR PROHIBIT THE TIMELY  
APPROVAL OF ANY  
44 SUBSEQUENT REQUEST OR APPLICATION YOU MAKE REGARDING A  
NEW LOAN, CREDIT,  
45 MORTGAGE, GOVERNMENT SERVICES OR PAYMENTS, INSURANCE,  
RENTAL HOUSING,  
46 EMPLOYMENT, INVESTMENT, LICENSE, CELLULAR PHONE,  
UTILITIES, DIGITAL  
47 SIGNATURE, INTERNET CREDIT CARD TRANSACTION, OR OTHER  
SERVICES, INCLUD-  
48 ING AN EXTENSION OF CREDIT AT POINT OF SALE. WHEN YOU PLACE  
A SECURITY  
49 FREEZE ON YOUR CREDIT REPORT, YOU WILL BE PROVIDED A  
PERSONAL IDENTIFI-  
50 CATION NUMBER OR PASSWORD TO USE IF YOU CHOOSE TO REMOVE  
THE FREEZE ON  
51 YOUR CREDIT REPORT OR AUTHORIZE THE RELEASE OF YOUR CREDIT  
REPORT TO A  
52 SPECIFIC PARTY OR FOR A PERIOD OF TIME AFTER THE FREEZE IS IN  
PLACE. TO  
53 PROVIDE THAT AUTHORIZATION YOU MUST CONTACT THE  
CONSUMER CREDIT REPORT-  
54 ING AGENCY AND PROVIDE ALL OF THE FOLLOWING:  
55 (1) THE PERSONAL IDENTIFICATION NUMBER OR PASSWORD;  
56 (2) PROPER IDENTIFICATION TO VERIFY YOUR IDENTITY;

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1 (3) THE PROPER INFORMATION REGARDING THE PARTY OR PARTIES  
WHO ARE TO  
2 RECEIVE THE CREDIT REPORT OR THE PERIOD OF TIME FOR WHICH  
THE REPORT  
3 SHALL BE AVAILABLE TO USERS OF THE CREDIT REPORT; AND  
4 (4) PAYMENT OF ANY APPLICABLE FEE.

5 A CONSUMER CREDIT REPORTING AGENCY MUST AUTHORIZE THE  
RELEASE OF YOUR  
6 CREDIT REPORT NO LATER THAN THREE BUSINESS DAYS AFTER  
RECEIVING THE  
7 ABOVE INFORMATION.  
8 A SECURITY FREEZE DOES NOT APPLY TO CIRCUMSTANCES IN  
WHICH YOU HAVE AN  
9 EXISTING ACCOUNT RELATIONSHIP AND A COPY OF YOUR REPORT IS  
REQUESTED BY  
10 YOUR EXISTING CREDITOR OR ITS AGENTS OR AFFILIATES FOR  
CERTAIN TYPES OF  
11 ACCOUNT REVIEW, COLLECTION, FRAUD CONTROL OR SIMILAR  
ACTIVITIES.  
12 IF YOU ARE ACTIVELY SEEKING CREDIT, YOU SHOULD  
UNDERSTAND THAT THE  
13 PROCEDURES INVOLVED IN LIFTING A SECURITY FREEZE MAY SLOW  
YOUR APPLICA-  
14 TION FOR CREDIT. YOU SHOULD PLAN AHEAD AND LIFT A  
FREEZE, EITHER  
15 COMPLETELY IF YOU ARE SHOPPING AROUND, OR SPECIFICALLY  
FOR A CERTAIN  
16 CREDITOR, BEFORE APPLYING FOR NEW CREDIT."  
17 (2) IF A CONSUMER REQUESTS INFORMATION ABOUT A SECURITY  
FREEZE, SUCH  
18 CONSUMER SHALL BE PROVIDED WITH THE NOTICE SET FORTH IN  
PARAGRAPH ONE OF  
19 THIS SUBDIVISION AND WITH ANY OTHER INFORMATION  
NECESSARY TO PLACE,  
20 TEMPORARILY LIFT OR PERMANENTLY LIFT A SECURITY FREEZE,  
INCLUDING BUT  
21 NOT LIMITED TO THE ADDRESS, TELEPHONE NUMBER OR POINT OF  
CONTACT AT  
22 WHICH THE CONSUMER CREDIT REPORTING AGENCY RECEIVES SUCH  
REQUESTS.  
23 (R) WHEN A CONSUMER CREDIT REPORTING AGENCY  
ERRONEOUSLY RELEASES A  
24 CONSUMER CREDIT REPORT SUBJECT TO A SECURITY FREEZE OR  
ANY INFORMATION  
25 CONTAINED IN SUCH CONSUMER CREDIT REPORT, THE CONSUMER  
CREDIT REPORTING  
26 AGENCY SHALL SEND WRITTEN NOTIFICATION TO THE AFFECTED  
CONSUMER WITHIN  
27 FIVE BUSINESS DAYS FOLLOWING DISCOVERY OR NOTIFICATION OF  
SUCH ERRONEOUS  
28 RELEASE. SUCH NOTIFICATION SHALL ALSO INFORM THE CONSUMER  
OF THE NATURE

29 OF THE INFORMATION RELEASED AND IDENTIFY AND PROVIDE  
CONTACT INFORMATION  
30 FOR THE RECIPIENT OF SUCH INFORMATION OR CONSUMER CREDIT  
REPORT.  
31 (S) WHENEVER THERE SHALL BE A VIOLATION OF THIS SECTION,  
APPLICATION  
32 MAY BE MADE BY THE ATTORNEY GENERAL IN THE NAME OF THE  
PEOPLE OF THE  
33 STATE OF NEW YORK TO A COURT OR JUSTICE HAVING JURISDICTION  
BY A SPECIAL  
34 PROCEEDING TO ISSUE AN INJUNCTION, AND UPON NOTICE TO THE  
DEFENDANT OF  
35 NOT LESS THAN FIVE DAYS, TO ENJOIN AND RESTRAIN THE  
CONTINUANCE OF SUCH  
36 VIOLATIONS; AND IF IT SHALL APPEAR TO THE SATISFACTION OF THE  
COURT OR  
37 JUSTICE THAT THE DEFENDANT HAS, IN FACT, VIOLATED THIS  
SECTION, AN  
38 INJUNCTION MAY BE ISSUED BY SUCH COURT OR JUSTICE,  
ENJOINING AND  
39 RESTRAINING ANY FURTHER VIOLATION, WITHOUT REQUIRING  
PROOF THAT ANY  
40 PERSON HAS, IN FACT, BEEN INJURED OR DAMAGED THEREBY. IN  
ANY SUCH  
41 PROCEEDING, THE COURT MAY MAKE ALLOWANCES TO THE  
ATTORNEY GENERAL AS  
42 PROVIDED IN PARAGRAPH SIX OF SUBDIVISION (A) OF SECTION  
EIGHTY-THREE  
43 HUNDRED THREE OF THE CIVIL PRACTICE LAW AND RULES, AND  
DIRECT RESTITU-  
44 TION. WHENEVER THE COURT SHALL DETERMINE THAT A  
VIOLATION OF THIS  
45 SECTION HAS OCCURRED, THE COURT MAY IMPOSE A CIVIL  
PENALTY OF NOT MORE  
46 THAN FIVE THOUSAND DOLLARS FOR EACH VIOLATION. IN  
CONNECTION WITH ANY  
47 SUCH PROPOSED APPLICATION, THE ATTORNEY GENERAL IS  
AUTHORIZED TO TAKE  
48 PROOF AND MAKE A DETERMINATION OF THE RELEVANT FACTS  
AND TO ISSUE  
49 SUBPOENAS IN ACCORDANCE WITH THE CIVIL PRACTICE LAW AND  
RULES.  
50 S 3. This act shall take effect on the first of November next succeed-  
51 ing the date on which it shall have become a law.