

JAN 19 2018

A BILL FOR AN ACT

RELATING TO SECURITY FREEZES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. Chapter 489P, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§489P- Notice of rights. At any time that a consumer is required to receive a summary of rights required under section 609 of the federal Fair Credit Reporting Act, the following notice shall be included:

"HAWAII CONSUMERS HAVE THE RIGHT TO OBTAIN

A SECURITY FREEZE.

You have a right to place a "security freeze" on your credit report pursuant to Hawaii law. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information from it without your express authorization. A security freeze may be requested in writing via certified mail.



1 The security freeze is designed to prevent
2 credit, loans, and services from being approved in
3 your name without your consent. However, you should
4 be aware that using a security freeze to take control
5 over who gains access to the personal and financial
6 information in your credit report may delay, interfere
7 with, or prohibit the timely approval of any
8 subsequent request or application you make regarding
9 new loans, credit, mortgage, insurance, rental
10 housing, employment, investment, license, cellular
11 phone, utilities, digital signature, Internet credit
12 card transactions, or other services, including an
13 extension of credit at point of sale.

14 The security freeze will be placed within five
15 business days after a consumer reporting agency
16 receives a written request from you. When you place a
17 security freeze on your credit report, within ten
18 business days, you will receive a written confirmation
19 of the security freeze and will be sent a personal
20 identification number or a password to use when you
21 want to remove the security freeze, temporarily lift



1 it, or lift it with respect to a particular third
2 party.

3 A freeze does not apply when you have an existing
4 account relationship and a copy of your report is
5 requested by your existing creditor or its agents or
6 affiliates for certain types of account review,
7 collection, fraud control, or similar activities.

8 You should plan ahead and lift a freeze if you
9 are actively seeking credit or services as a security
10 freeze may slow your applications, as mentioned above.

11 You can remove a freeze, temporarily lift a
12 freeze, or lift a freeze with respect to a particular
13 third party by contacting the consumer reporting
14 agency and providing all of the following:

15 (1) Clear and proper identification to verify
16 your identity;

17 (2) Your unique personal identification number
18 or password; and

19 (3) Clear and proper information regarding the
20 period of time you want your report
21 available to users of the credit report, or



1 the third party with respect to which you
2 want to lift the freeze.

3 A consumer reporting agency that receives a
4 request from you to temporarily lift a freeze or to
5 lift a freeze with respect to a particular third party
6 on a credit report shall comply with the request no
7 later than three business days after receiving the
8 request.

9 A consumer reporting agency may charge you up to
10 five dollars (\$5.00) to institute a freeze. However,
11 a consumer reporting agency may not charge you any
12 amount to place, lift, or remove a security freeze if
13 you are the victim of identity theft and have
14 submitted a valid copy of a police report,
15 investigative report, or complaint filed with a law
16 enforcement agency about the unlawful use of your
17 identifying information by another person.

18 You have a right to bring a civil action against
19 someone who violates your rights under the credit
20 reporting laws. The action can be brought against a



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1 consumer reporting agency or a user of your credit
2 report."

3 SECTION 2. New statutory material is underscored.

4 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: ~~SC~~ *SC* *Robt. Dean*

J. Alan Eggen

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S.B. NO. 2259

Report Title:

Security Freezes; Credit Reports; Credit Reporting Agencies;
Consumers; Notice

Description:

Requires Hawaii consumers, who are required to receive a summary of rights under section 609 of the federal Fair Credit Reporting Act, to also receive a notice of their rights under Hawaii law to obtain a security freeze on their credit reports.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

