86R10678 GRM-D

By:  Fallon S.B. No. 1423

A BILL TO BE ENTITLED

AN ACT

relating to the fee for placing, temporarily lifting, or removing a security freeze on a consumer file.

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

SECTION 1.  Section 20.01, Business & Commerce Code, is amended by adding Subdivision (1-a) to read as follows:

(1-a)  "Breach of system security" has the meaning assigned by Section 521.053.

SECTION 2.  Section 20.04, Business & Commerce Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b)  A consumer reporting agency may not charge a fee for:

(1)  a request by a consumer for a copy of the consumer's file:

(A)  made not later than the 60th day after the date on which adverse action is taken against the consumer; or

(B)  made on the expiration of a 45-day security alert;

(2)  notification of the deletion of information that is found to be inaccurate or can no longer be verified sent to a person designated by the consumer, as prescribed by Section 611 of the Fair Credit Reporting Act (15 U.S.C. Section 1681i), as amended;

(3)  a set of instructions for understanding the information presented on the consumer report;

(4)  a toll-free telephone number that consumers may call to obtain additional assistance concerning the consumer report or to request a security alert;

(5)  a request for a security alert made by a consumer; or

(6)  the placement, temporary lifting, or removal of a security freeze at the request of a consumer:

(A)  who has submitted to the consumer reporting agency a copy of a valid police report, investigative report, or complaint involving the alleged commission of an offense under Section 32.51, Penal Code; or

(B)  if the consumer's consumer file was affected by a consumer reporting agency's breach of system security.

(c)  In the event of a conflict between federal law and this section in the amount a consumer reporting agency may charge, federal law controls.

SECTION 3.  Section 20.29, Business & Commerce Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c)  A consumer reporting agency may not charge a fee for the placement or removal of a security freeze under this subchapter if:

(1)  the protected consumer's representative submits to the consumer reporting agency a copy of a valid police report, investigative report, or complaint involving the commission of an offense under Section 32.51, Penal Code; [~~or~~]

(2)  at the time the protected consumer's representative makes the request for a security freeze:

(A)  the protected consumer is under the age of 16; and

(B)  the consumer reporting agency has created a consumer report pertaining to the protected consumer; or

(3)  at the time the protected consumer's representative makes the request for a security freeze, the protected consumer's consumer file was affected by a consumer reporting agency's breach of system security.

(d)  In the event of a conflict between federal law and this section in the amount a consumer reporting agency may charge, federal law controls.

SECTION 4.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.