

Committee on Commerce and Tourism

CS/CS/CS/SB 242 — Security of a Protected Consumer's Information

by Government Oversight and Accountability Committee; Judiciary Committee; Commerce and Tourism Committee; and Senator Detert

The bill, the Keeping I.D. Safe (KIDS) Act, enables a guardian or other advocate for a protected consumer to place a security freeze on the protected consumer's consumer report. A protected consumer includes a child who is younger than 16 and others who are represented by a guardian or other advocate, often as the result of mental incapacity. A security freeze generally prohibits a consumer reporting agency from releasing information in a consumer report to a third party without express authorization. A security freeze may prevent an unauthorized person from opening lines of credit in a protected consumer's name and engaging in identity theft.

Under the bill, a guardian or advocate who seeks a security freeze must submit a request to the consumer reporting agency along with proof of authority and identification and a fee of up to \$10. The fee is waived if the representative submits a copy of a valid police report about the unlawful use of the protected consumer's identifying information.

The Department of Agriculture and Consumer Services must investigate complaints concerning violations of these consumer information provisions, and may impose an administrative penalty of \$500 for each violation. A person who obtains a consumer report or record under false pretenses or knowingly without a permissible purpose is liable for damages to the protected consumer and the credit reporting agency for at least \$1,000 each. The bill also requires consumer reporting agencies to provide written notice of the availability of a security freeze for protected consumers.

If approved by the Governor, these provisions take effect September 1, 2014.

Vote: Senate 39-0; House 119-0