56:11-46

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2018 **CHAPTER:** 153

NJSA: 56:11-46 (Prohibits consumer reporting agencies from charging certain fees related to security freezes on

consumer reports.)

BILL NO: A360 (Substituted for S2786)

SPONSOR(S) Chiaravalloti and others

DATE INTRODUCED: 1/9/2018

COMMITTEE: ASSEMBLY: Consumer Affairs

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: 4/12/2018

SENATE: 10/29/2018

DATE OF APPROVAL: 12/17/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced version of bill enacted)

Yes

A360

SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill) Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

S2786

SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill) Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No.

LEGISLATIVE FISCAL ESTIMATE: No

(continued)

VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
FOLLOWING WERE PRINTED: To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or mailto:refdest	k@njstatelib.org
REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

RH/CL

P.L. 2018, CHAPTER 153, approved December 17, 2018 Assembly, No. 360

AN ACT concerning consumer reporting agencies and amending P.L.2005, c.226.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. Section 5 of P.L.2005, c.226 (C.56:11-46) is amended to read as follows:
- 5. a. A consumer may elect to place a security freeze on his consumer report by:
- (1) making a request in writing by certified mail or overnight mail to a consumer reporting agency; or
- (2) making a request directly to the consumer reporting agency through a secure electronic mail connection, if an electronic mail connection is provided by the consumer reporting agency.
- b. A consumer reporting agency shall place a security freeze on a consumer report no later than five business days after receiving a written request from the consumer.
- c. The consumer reporting agency shall send a written confirmation of the security freeze to the consumer within five business days of placing the freeze and at the same time shall provide the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the release of his credit for a specific party or period of time.
- d. If the consumer wishes to allow his consumer report to be accessed for a specific party or period of time while a freeze is in place, he shall contact the consumer reporting agency via certified or overnight mail or secure electronic mail and request that the freeze be temporarily lifted, and provide all of the following:
 - (1) Information generally deemed sufficient to identify a person;
- (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section; and
- (3) The proper information regarding the third party who is to receive the consumer report or the time period for which the consumer report shall be available to users of the consumer report.
- e. A consumer reporting agency that receives a request from a consumer to temporarily lift a freeze on a consumer report pursuant to subsection d. of this section shall comply with the request no later than three business days after receiving the request.
- f. A consumer reporting agency shall develop procedures involving the use of telephone, fax, the Internet, or other electronic

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- media to receive and process a request from a consumer to temporarily lift a freeze on a consumer report pursuant to subsection d. of this section in an expedited manner. The director shall promulgate regulations necessary to allow the use of electronic media to receive and process a request from a consumer to temporarily lift a security freeze pursuant to subsection d. of this section as quickly as possible, with the goal of processing a request within 15 minutes of that request.
 - g. A consumer reporting agency shall remove or temporarily lift a freeze placed on a consumer report only in the following
 - (1) Upon consumer request, pursuant to subsection d. or j. of this section; or
- (2) If the consumer report was frozen due to a material misrepresentation of fact by the consumer. If a consumer reporting agency intends to remove a freeze upon a consumer report pursuant to this paragraph, the consumer reporting agency shall notify the consumer in writing at least five business days prior to removing the freeze on the consumer report.
- h. If a third party requests access to a consumer report on which a security freeze is in effect, and this request is in connection with an application for credit or any other use, and the consumer does not allow his consumer report to be accessed for that specific party or period of time, the third party may treat the application as incomplete.
- i. (1) 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," 15 U.S.C. s.1681g, the following notice shall be included:

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New Jersey Consumers Have the Right to Obtain a Security Freeze

You may obtain a security freeze on your credit report to protect your privacy and ensure that credit is not granted in your name without your knowledge. You have a right to place a "security freeze" on your credit report pursuant to New Jersey law.

The security freeze will prohibit a consumer reporting agency from releasing any information in your credit report without your express authorization or approval.

The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. When you place a security freeze on your credit report, within five business days you will be provided a personal identification number or password to use if you choose to remove the freeze on your credit report or to temporarily authorize the release of your credit report for a specific party, parties or period of time after the freeze is in place. To provide that authorization, you must contact the consumer reporting agency and provide all of the following:

(i) The unique personal identification number or password provided by the consumer reporting agency;
(ii) Proper identification to verify your identity; and
(iii) The proper information regarding the third party or parties who are to receive the credit report or the period of time for which the report shall be available to users of the credit report.
A consumer reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report shall comply with the request no later than three business days or less, as provided by regulation, after receiving the request.

A security freeze does not apply to circumstances in which you have an existing account relationship and a copy of your report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control or similar activities.

If you are actively seeking credit, you should understand that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a freeze, either completely if you are shopping around, or specifically for a certain creditor, a few days before actually applying for new credit.

You have a right to bring a civil action against someone who violates your rights under the credit reporting laws. The action can be brought against a consumer reporting agency or a user of your credit report

- (2) If a consumer requests information about a security freeze, he shall be provided with the notice provided in paragraph (1) of this subsection and with any other information, as prescribed by the director by regulation, about how to place, temporarily lift and permanently lift a security freeze.
- j. A security freeze shall remain in place until the consumer requests that the security freeze be removed. A consumer reporting agency shall remove a security freeze within three business days of receiving a request for removal from the consumer, who provides the following:
 - (1) Proper identification; and
- (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section.
- k. A consumer reporting agency shall require proper identification of the person making a request to place or remove a security freeze.
- l. The provisions of this section do not apply to the use of a consumer report by the following:
- (1) A person, or subsidiary, affiliate, or agent of that person, or an assignee of a financial obligation owing by the consumer to that person, or a prospective assignee of a financial obligation owing by the consumer to that person in conjunction with the proposed purchase of the financial obligation, with which the consumer has or had prior to assignment an account or contract, including a

- demand deposit account, or to whom the consumer issued a 1 2 negotiable instrument, for the purposes of reviewing the account or 3 collecting the financial obligation owing for the account, contract, 4 or negotiable instrument. For purposes of this paragraph, 5 "reviewing the account" includes activities related to account maintenance, monitoring, credit line increases, and account 6 7 upgrades and enhancements;
 - (2) A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom access has been granted under subsection d. of this section, for purposes of facilitating the extension of credit or other permissible use;
 - (3) Any State or local agency, law enforcement agency, trial court, or private collection agency acting pursuant to a court order, warrant, or subpoena;
 - (4) The Division of Taxation in the Department of the Treasury for the purpose of enforcing the tax laws of this State;
 - (5) A State or local child support enforcement agency;
 - (6) The use of credit information for the purposes of prescreening as provided for by the federal "Fair Credit Reporting Act," 15 U.S.C. s.1681 et seq.;
 - (7) Any person or entity administering a credit file monitoring subscription service to which the consumer has subscribed; or
 - (8) Any person or entity for the purpose of providing a consumer with a copy of the consumer's credit report upon the consumer's request.
 - m. (1) A consumer reporting agency shall not charge a consumer any fee to place a security freeze on that consumer's consumer report, or to remove or temporarily lift a security freeze on that consumer's consumer report.
 - (2) [A consumer reporting agency may charge a reasonable fee, not to exceed \$5, to a consumer who elects to remove or temporarily lift a security freeze on that consumer's consumer report.] (Deleted by amendment, P.L., c.) (pending before the Legislature as this bill)
 - (3) [A consumer may be charged a reasonable fee, not to exceed \$5, if the consumer fails to retain the original personal identification number provided by the consumer reporting agency and must be reissued the same or a new personal identification number.] (Deleted by amendment, P.L., c.) (pending before the <u>Legislature as this bill</u>)
- 41 (cf: P.L.2005, c.226, s.5)

2. This act shall take effect immediately.

Prohibits consumer reporting agencies from charging certain fees related to security freezes on consumer reports.

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ASSEMBLY, No. 360

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman NICHOLAS CHIARAVALLOTI
District 31 (Hudson)
Assemblyman JOE DANIELSEN
District 17 (Middlesex and Somerset)

SYNOPSIS

Prohibits consumer reporting agencies from charging certain fees related to security freezes on consumer reports.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/6/2018)

AN ACT concerning consumer reporting agencies and amending P.L.2005, c.226.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. Section 5 of P.L.2005, c.226 (C.56:11-46) is amended to read as follows:
- 5. a. A consumer may elect to place a security freeze on his consumer report by:
- (1) making a request in writing by certified mail or overnight mail to a consumer reporting agency; or
- (2) making a request directly to the consumer reporting agency through a secure electronic mail connection, if an electronic mail connection is provided by the consumer reporting agency.
- b. A consumer reporting agency shall place a security freeze on a consumer report no later than five business days after receiving a written request from the consumer.
- c. The consumer reporting agency shall send a written confirmation of the security freeze to the consumer within five business days of placing the freeze and at the same time shall provide the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the release of his credit for a specific party or period of time.
- d. If the consumer wishes to allow his consumer report to be accessed for a specific party or period of time while a freeze is in place, he shall contact the consumer reporting agency via certified or overnight mail or secure electronic mail and request that the freeze be temporarily lifted, and provide all of the following:
 - (1) Information generally deemed sufficient to identify a person;
- (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section; and
- (3) The proper information regarding the third party who is to receive the consumer report or the time period for which the consumer report shall be available to users of the consumer report.
- e. A consumer reporting agency that receives a request from a consumer to temporarily lift a freeze on a consumer report pursuant to subsection d. of this section shall comply with the request no later than three business days after receiving the request.
- f. A consumer reporting agency shall develop procedures involving the use of telephone, fax, the Internet, or other electronic media to receive and process a request from a consumer to temporarily lift a freeze on a consumer report pursuant to subsection d. of this section in an expedited manner. The director

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- shall promulgate regulations necessary to allow the use of electronic media to receive and process a request from a consumer to temporarily lift a security freeze pursuant to subsection d. of this section as quickly as possible, with the goal of processing a request within 15 minutes of that request.
- g. A consumer reporting agency shall remove or temporarily lift a freeze placed on a consumer report only in the following cases:
- (1) Upon consumer request, pursuant to subsection d. or j. of this section; or
- (2) If the consumer report was frozen due to a material misrepresentation of fact by the consumer. If a consumer reporting agency intends to remove a freeze upon a consumer report pursuant to this paragraph, the consumer reporting agency shall notify the consumer in writing at least five business days prior to removing the freeze on the consumer report.
- h. If a third party requests access to a consumer report on which a security freeze is in effect, and this request is in connection with an application for credit or any other use, and the consumer does not allow his consumer report to be accessed for that specific party or period of time, the third party may treat the application as incomplete.
- i. (1) 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," 15 U.S.C. s.1681g, the following notice shall be included:

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New Jersey Consumers Have the Right to Obtain a Security Freeze

You may obtain a security freeze on your credit report to protect your privacy and ensure that credit is not granted in your name without your knowledge. You have a right to place a "security freeze" on your credit report pursuant to New Jersey law.

The security freeze will prohibit a consumer reporting agency from releasing any information in your credit report without your express authorization or approval.

The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. When you place a security freeze on your credit report, within five business days you will be provided a personal identification number or password to use if you choose to remove the freeze on your credit report or to temporarily authorize the release of your credit report for a specific party, parties or period of time after the freeze is in place. To provide that authorization, you must contact the consumer reporting agency and provide all of the following:

- (i) The unique personal identification number or password provided by the consumer reporting agency;
 - (ii) Proper identification to verify your identity; and

(iii) The proper information regarding the third party or parties who are to receive the credit report or the period of time for which the report shall be available to users of the credit report.

A consumer reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report shall comply with the request no later than three business days or less, as provided by regulation, after receiving the request.

A security freeze does not apply to circumstances in which you have an existing account relationship and a copy of your report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control or similar activities.

If you are actively seeking credit, you should understand that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a freeze, either completely if you are shopping around, or specifically for a certain creditor, a few days before actually applying for new credit.

You have a right to bring a civil action against someone who violates your rights under the credit reporting laws. The action can be brought against a consumer reporting agency or a user of your credit report

- (2) If a consumer requests information about a security freeze, he shall be provided with the notice provided in paragraph (1) of this subsection and with any other information, as prescribed by the director by regulation, about how to place, temporarily lift and permanently lift a security freeze.
- j. A security freeze shall remain in place until the consumer requests that the security freeze be removed. A consumer reporting agency shall remove a security freeze within three business days of receiving a request for removal from the consumer, who provides the following:
 - (1) Proper identification; and
- (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section.
- k. A consumer reporting agency shall require proper identification of the person making a request to place or remove a security freeze.
- 1. The provisions of this section do not apply to the use of a consumer report by the following:
- (1) A person, or subsidiary, affiliate, or agent of that person, or an assignee of a financial obligation owing by the consumer to that person, or a prospective assignee of a financial obligation owing by the consumer to that person in conjunction with the proposed purchase of the financial obligation, with which the consumer has or had prior to assignment an account or contract, including a demand deposit account, or to whom the consumer issued a negotiable instrument, for the purposes of reviewing the account or

- collecting the financial obligation owing for the account, contract, 1 or negotiable instrument. 2 For purposes of this paragraph, 3 "reviewing the account" includes activities related to account 4 maintenance, monitoring, credit line increases, and account 5 upgrades and enhancements; (2) A subsidiary, affiliate, agent, assignee, or prospective 6 7 assignee of a person to whom access has been granted under 8 subsection d. of this section, for purposes of facilitating the 9 extension of credit or other permissible use; 10 (3) Any State or local agency, law enforcement agency, trial 11 court, or private collection agency acting pursuant to a court order, 12 warrant, or subpoena; 13
 - (4) The Division of Taxation in the Department of the Treasury for the purpose of enforcing the tax laws of this State;
 - (5) A State or local child support enforcement agency;
 - (6) The use of credit information for the purposes of prescreening as provided for by the federal "Fair Credit Reporting Act," 15 U.S.C. s.1681 et seq.;
 - (7) Any person or entity administering a credit file monitoring subscription service to which the consumer has subscribed; or
 - (8) Any person or entity for the purpose of providing a consumer with a copy of the consumer's credit report upon the consumer's request.
 - m. (1) A consumer reporting agency shall not charge a consumer any fee to place a security freeze on that consumer's consumer report, or to remove or temporarily lift a security freeze on that consumer's consumer report.
 - (2) [A consumer reporting agency may charge a reasonable fee, not to exceed \$5, to a consumer who elects to remove or temporarily lift a security freeze on that consumer's consumer report. I (Deleted by amendment, P.L., c.) (pending before the Legislature as this bill)
 - (3) [A consumer may be charged a reasonable fee, not to exceed \$5, if the consumer fails to retain the original personal identification number provided by the consumer reporting agency and must be reissued the same or a new personal identification number. (Deleted by amendment, P.L., c.) (pending before the Legislature as this bill)
- 39 (cf: P.L.2005, c.226, s.5)

2. This act shall take effect immediately.

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STATEMENT

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46 This bill amends the New Jersey "Identity Theft Prevention Act" 47 to prohibit a consumer reporting agency from charging a consumer

A360 CHIARAVALLOTI, DANIELSEN

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any fee to remove or temporarily lift a security freeze on that consumer's consumer report.

3 Current law prohibits consumer reporting agencies from charging 4 fees to place a security freeze on that consumer's consumer report, 5 but allows a reasonable fee, not to exceed five dollars, to be charged 6 to a consumer who elects to remove or temporarily lift a security 7 freeze on that consumer's consumer report or if the consumer fails 8 to retain the original personal identification number provided by the 9 consumer reporting agency and must be reissued the same or a new 10 personal identification number. The bill removes the provisions 11 allowing a fee to be charged in these situations.

ASSEMBLY CONSUMER AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 360

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Assembly Consumer Affairs Committee reports favorably Assembly Bill No. 360.

As reported by the committee, Assembly Bill No. 360 amends New Jersey's "Identity Theft Prevention Act," P.L.2005, c.226 (C.56:11-44 et al.), to prohibit a consumer reporting agency from charging a consumer any fee to remove or temporarily lift a security freeze on that consumer's consumer report.

Current law prohibits consumer reporting agencies from charging fees to place a security freeze on a consumer's consumer report. However, current law permits a reasonable fee, not to exceed \$5, to be charged to a consumer who 1) elects to remove or temporarily lift a security freeze on her or his consumer report, or 2) fails to retain the original personal identification number provided by the consumer reporting agency, and must be reissued the same or a new personal identification number. The bill removes the provisions allowing a fee to be charged in these situations.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 360

STATE OF NEW JERSEY

DATED: SEPTEMBER 13, 2018

The Senate Commerce Committee reports favorably Assembly Bill No. 360.

This bill amends New Jersey's "Identity Theft Prevention Act," P.L.2005, c.226 (C.56:11-44 et al.), to prohibit a consumer reporting agency from charging a consumer any fee to remove or temporarily lift a security freeze on that consumer's consumer report.

Current law prohibits consumer reporting agencies from charging fees to place a security freeze on a consumer's consumer report. However, current law allows a reasonable fee, not to exceed \$5, to be charged to a consumer who: 1) elects to remove or temporarily lift a security freeze on her or his consumer report, or 2) fails to retain the original personal identification number provided by the consumer reporting agency, and must be reissued the same or a new personal identification number. The bill removes the provisions allowing a fee to be charged in these situations.

SENATE, No. 2786

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 25, 2018

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Prohibits consumer reporting agencies from charging certain fees related to security freezes on consumer reports.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/30/2018)

AN ACT concerning consumer reporting agencies and amending P.L.2005, c.226.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. Section 5 of P.L.2005, c.226 (C.56:11-46) is amended to read as follows:
- 9 5. a. A consumer may elect to place a security freeze on his to consumer report by:
 - (1) making a request in writing by certified mail or overnight mail to a consumer reporting agency; or
 - (2) making a request directly to the consumer reporting agency through a secure electronic mail connection, if an electronic mail connection is provided by the consumer reporting agency.
 - b. A consumer reporting agency shall place a security freeze on a consumer report no later than five business days after receiving a written request from the consumer.
 - c. The consumer reporting agency shall send a written confirmation of the security freeze to the consumer within five business days of placing the freeze and at the same time shall provide the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the release of his credit for a specific party or period of time.
 - d. If the consumer wishes to allow his consumer report to be accessed for a specific party or period of time while a freeze is in place, he shall contact the consumer reporting agency via certified or overnight mail or secure electronic mail and request that the freeze be temporarily lifted, and provide all of the following:
 - (1) Information generally deemed sufficient to identify a person;
 - (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section; and
 - (3) The proper information regarding the third party who is to receive the consumer report or the time period for which the consumer report shall be available to users of the consumer report.
 - e. A consumer reporting agency that receives a request from a consumer to temporarily lift a freeze on a consumer report pursuant to subsection d. of this section shall comply with the request no later than three business days after receiving the request.
 - f. A consumer reporting agency shall develop procedures involving the use of telephone, fax, the Internet, or other electronic media to receive and process a request from a consumer to temporarily lift a freeze on a consumer report pursuant to

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- subsection d. of this section in an expedited manner. The director shall promulgate regulations necessary to allow the use of electronic media to receive and process a request from a consumer to temporarily lift a security freeze pursuant to subsection d. of this section as quickly as possible, with the goal of processing a request within 15 minutes of that request.
 - g. A consumer reporting agency shall remove or temporarily lift a freeze placed on a consumer report only in the following cases:
 - (1) Upon consumer request, pursuant to subsection d. or j. of this section; or
 - (2) If the consumer report was frozen due to a material misrepresentation of fact by the consumer. If a consumer reporting agency intends to remove a freeze upon a consumer report pursuant to this paragraph, the consumer reporting agency shall notify the consumer in writing at least five business days prior to removing the freeze on the consumer report.
 - h. If a third party requests access to a consumer report on which a security freeze is in effect, and this request is in connection with an application for credit or any other use, and the consumer does not allow his consumer report to be accessed for that specific party or period of time, the third party may treat the application as incomplete.
 - i. (1) 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," 15 U.S.C. s.1681g, the following notice shall be included:

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You may obtain a security freeze on your credit report to protect your privacy and ensure that credit is not granted in your name without your knowledge. You have a right to place a "security freeze" on your credit report pursuant to New Jersey law.

The security freeze will prohibit a consumer reporting agency from releasing any information in your credit report without your express authorization or approval.

The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. When you place a security freeze on your credit report, within five business days you will be provided a personal identification number or password to use if you choose to remove the freeze on your credit report or to temporarily authorize the release of your credit report for a specific party, parties or period of time after the freeze is in place. To provide that authorization, you must contact the consumer reporting agency and provide all of the following:

(i) The unique personal identification number or password provided by the consumer reporting agency;

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(ii) Proper identification to verify your identity; and

(iii) The proper information regarding the third party or parties who are to receive the credit report or the period of time for which the report shall be available to users of the credit report.

A consumer reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report shall comply with the request no later than three business days or less, as provided by regulation, after receiving the request.

A security freeze does not apply to circumstances in which you have an existing account relationship and a copy of your report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control or similar activities.

If you are actively seeking credit, you should understand that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a freeze, either completely if you are shopping around, or specifically for a certain creditor, a few days before actually applying for new credit.

You have a right to bring a civil action against someone who violates your rights under the credit reporting laws. The action can be brought against a consumer reporting agency or a user of your credit report.

- (2) If a consumer requests information about a security freeze, he shall be provided with the notice provided in paragraph (1) of this subsection and with any other information, as prescribed by the director by regulation, about how to place, temporarily lift and permanently lift a security freeze.
- j. A security freeze shall remain in place until the consumer requests that the security freeze be removed. A consumer reporting agency shall remove a security freeze within three business days of receiving a request for removal from the consumer, who provides the following:
 - (1) Proper identification; and
- (2) The unique personal identification number or password provided by the consumer reporting agency pursuant to subsection c. of this section.
- k. A consumer reporting agency shall require proper identification of the person making a request to place or remove a security freeze.
- 1. The provisions of this section do not apply to the use of a consumer report by the following:
- (1) A person, or subsidiary, affiliate, or agent of that person, or an assignee of a financial obligation owing by the consumer to that person, or a prospective assignee of a financial obligation owing by the consumer to that person in conjunction with the proposed purchase of the financial obligation, with which the consumer has or had prior to assignment an account or contract, including a demand deposit account, or to whom the consumer issued a negotiable instrument, for the purposes of reviewing the account or

- collecting the financial obligation owing for the account, contract, or negotiable instrument. For purposes of this paragraph, "reviewing the account" includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements;
 - (2) A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom access has been granted under subsection d. of this section, for purposes of facilitating the extension of credit or other permissible use;
 - (3) Any State or local agency, law enforcement agency, trial court, or private collection agency acting pursuant to a court order, warrant, or subpoena;
 - (4) The Division of Taxation in the Department of the Treasury for the purpose of enforcing the tax laws of this State;
 - (5) A State or local child support enforcement agency;
 - (6) The use of credit information for the purposes of prescreening as provided for by the federal "Fair Credit Reporting Act," 15 U.S.C. s.1681 et seq.;
 - (7) Any person or entity administering a credit file monitoring subscription service to which the consumer has subscribed; or
 - (8) Any person or entity for the purpose of providing a consumer with a copy of the consumer's credit report upon the consumer's request.
 - m. (1) A consumer reporting agency shall not charge a consumer any fee to place a security freeze on that consumer's consumer report, or to remove or temporarily lift a security freeze on that consumer's consumer report.
 - (2) [A consumer reporting agency may charge a reasonable fee, not to exceed \$5, to a consumer who elects to remove or temporarily lift a security freeze on that consumer's consumer report.] (Deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)
 - (3) [A consumer may be charged a reasonable fee, not to exceed \$5, if the consumer fails to retain the original personal identification number provided by the consumer reporting agency and must be reissued the same or a new personal identification number.] (Deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)

39 (cf: P.L.2005, c.226, s.5)

2. This act shall take effect immediately.

44 STATEMENT

This bill amends the New Jersey "Identity Theft Prevention Act" to prohibit a consumer reporting agency from charging a consumer

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any fee to remove or temporarily lift a security freeze on that consumer's consumer report.

3 Current law prohibits consumer reporting agencies from charging 4 fees to place a security freeze on that consumer's consumer report, 5 but allows a reasonable fee, not to exceed five dollars, to be charged 6 to a consumer who elects to remove or temporarily lift a security 7 freeze on that consumer's consumer report or if the consumer fails 8 to retain the original personal identification number provided by the 9 consumer reporting agency and must be reissued the same or a new personal identification number. The bill removes the provisions 10 allowing a fee to be charged in these situations. 11

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2786

STATE OF NEW JERSEY

DATED: SEPTEMBER 13, 2018

The Senate Commerce Committee reports favorably Senate Bill No. 2786.

This bill amends New Jersey's "Identity Theft Prevention Act," P.L.2005, c.226 (C.56:11-44 et al.), to prohibit a consumer reporting agency from charging a consumer any fee to remove or temporarily lift a security freeze on that consumer's consumer report.

Current law prohibits consumer reporting agencies from charging fees to place a security freeze on a consumer's consumer report. However, current law allows a reasonable fee, not to exceed \$5, to be charged to a consumer who: 1) elects to remove or temporarily lift a security freeze on her or his consumer report, or 2) fails to retain the original personal identification number provided by the consumer reporting agency, and must be reissued the same or a new personal identification number. The bill removes the provisions allowing a fee to be charged in these situations.

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Governor Murphy Takes Action on Legislation

12/17/2018

TRENTON – Today, Governor Phil Murphy signed the following bills into law:

A360 (Chiaravalloti, Danielsen, Mukherji/Pou, Cruz-Perez) – Prohibits consumer reporting agencies from charging certain fees related to security freezes on consumer reports.

A1039 (Houghtaling, Dancer, Andrzejczak, Space, Taliaferro/Gopal, Oroho) – Directs the Division of Travel and Tourism to publish on its website information of farm-to-table restaurants.

A2182 (DeAngelo, Wimberly, Quijano/Scutari, Singleton) – Establishes an apprenticeship requirement to qualify for an electrical contractor's license.

A3112 (Benson, Mukherji, Karabinchak/Beach, Oroho) – Authorizes local units of government subject to "Local Public Contracts Law" and "Public School Contracts Law" to use electronic procurement technologies.

A3731 (Tully, Swain, Wimberly/Lagana) – Establishes "County Code Pilot Program" for certain counties.

A4102 (Johnson, DeAngelo/Weinberg) – Allows cigar bars and lounges to renew lapsed exemption from ban on indoor smoking under certain circumstances.

S724 (Greenstein, Diegnan/Pinkin, Giblin, Jasey) – Allows pharmacy interns and pharmacy externs to administer certain vaccines under direct supervision of pharmacist and requires reporting of certain vaccine administrations.

S869 (Sweeney, Cunningham, Oroho/Jimenez, Lagana, Vainieri Huttle, Benson) – Permits establishment by county and four-year institutions of higher education of three plus one degree programs for receipt of baccalaureate degree after spending three years at county college and one year at senior institution.

S870 (Sweeney, Cunningham/Jasey, Schaer, Calabrese) – Establishes Dual Enrollment Study Commission.

S1869 (Scutari/Caputo, Holley) – Prohibits sale of certain alarm business signs and decals.

S1958 (Gopal, Scutari/Mukherji, Lopez, DeAngelo) – Establishes permit to allow seasonal retail consumption license holders to sell alcoholic beverages during certain off-season dates.

S2397 (Gopal/Schaer, Karabinchak, Pinkin) – Requires institutions of higher education to provide alternative arrangements to students unable to complete certain assignments by regular due date or register for courses because of day of religious observance.

S2839 (Gopal, Oroho, Greenstein/Houghtaling, Zwicker, DeAngelo) – Makes General Fund supplemental appropriation of \$250,000 to New Jersey Manufacturing Extension Program, Inc.

Copy of Statement on S2839

S2845 (Vitale/Spearman, Mejia, Lopez) – Amends Fiscal Year 2019 appropriations act to revise increase in Work

First New Jersey benefits.

SJR18 (Pou, Greenstein/Murphy) – Establishes "Commission to Review Constructive Sentences of Life Imprisonment on Juvenile Offenders."

Additionally, Governor Murphy announced that he has conditionally vetoed the following bills:

A4342 (Tully, Swain, Benson, Jones/Lagana) – Requires public school student to carry identification card at school-sponsored, off-campus activities and requires principal to keep list of students on school buses used for school-sponsored activities in case of emergencies.

Copy of Statement on A4342

S393 (Madden, Singleton/DeAngelo, Murphy, Verrelli) – Establishes Talent Network Program in DOLWD.

Copy of Statement on S393

S1697 (Sarlo, Oroho/DeAngelo, Lagana, Space) – Exempts fuel used for operation of certain school buses from petroleum products gross receipts tax and motor fuel tax; clarifies tax treatment of certain dyed fuel thereunder; clarifies determination of taxable estates of certain decedents.

Copy of Statement on S1697

S2531 (Beach/Jones) – Allows county governing body in certain counties to abolish offices of superintendent and deputy superintendent of elections and transfer functions to county board of elections.

Copy of Statement on S2531

Governor Murphy also announced that he has absolute vetoed the following bills:

S2455 (Sweeney, Oroho/Murphy, McKnight, Mosquera) – Transfers county college employees and retirees from membership in SEHBP to membership in SHBP.

Copy of Statement on S2455

S3074 (Lagana/Pintor Marin, Greenwald) - Provides for procurement by State of pharmacy benefits manager, automated reverse auction services, and claims adjudication services.

Copy of Statement on S3074

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