

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 16, 2005

Date

Committee on Business, Labor and Technology.

After consideration on the merits, the Committee recommends the following:

SB05-137 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 2, line 11, strike "MEANS A WRITTEN" and
- 2 substitute "SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 12-
- 3 14.3-102 (3).";

- 4 strike line 12 through 20.

- 5 Page 3, strike lines 1 and 2;

- 6 line 3, strike "MEANS A PERSON THAT, FOR" and substitute "SHALL HAVE
- 7 THE SAME MEANING AS SET FORTH IN SECTION 12-14.3-102 (4).";

- 8 strike lines 4 through 8.

- 9 Page 7, line 11, strike "OR";

- 10 line 14, strike "REQUEST." and substitute "REQUEST; OR";

- 11 after line 14, insert the following:

- 12 "(k) A PERSON REQUESTING THE CONSUMER'S CREDIT REPORT FOR
- 13 USE BY AN INSURANCE BUSINESS TO SET A RATE OR UNDERWRITE FOR
- 14 INSURANCE PURPOSES PURSUANT TO SECTION 12-14.3-103.";

- 15 after line 26, insert the following:

1 "(12) THE FOLLOWING PERSONS ARE NOT REQUIRED TO PLACE A
2 SECURITY FREEZE ON A CONSUMER REPORT PURSUANT TO THIS SECTION:

3 (a) A CHECK SERVICES COMPANY THAT ISSUES REPORTS ON
4 INCIDENTS OF FRAUD OR AUTHORIZATIONS FOR THE PURPOSE OF
5 APPROVING OR PROCESSING NEGOTIABLE INSTRUMENTS, ELECTRONIC FUND
6 TRANSFERS, OR SIMILAR METHODS OF PAYMENT;

7 (b) A DEPOSIT ACCOUNT INFORMATION SERVICE COMPANY THAT
8 ISSUES REPORTS REGARDING ACCOUNT DISCLOSURE DUE TO FRAUD,
9 SUBSTANTIAL OVERDRAFTS, AUTOMATED TELLER MACHINE ABUSE, OR
10 SIMILAR NEGATIVE INFORMATION REGARDING A CONSUMER TO INQUIRING
11 BANKS OR FINANCIAL INSTITUTION; AND

12 (c) A FRAUD PREVENTION SERVICES COMPANY ISSUING REPORTS TO
13 PREVENT OR INVESTIGATE FRAUD."

14 Page 9, strike lines 19 and 20 and substitute the following:

15 "YOU SHOULD BE AWARE THAT USING A SECURITY FREEZE TO TAKE
16 CONTROL OVER WHO GAINS ACCESS TO THE PERSONAL AND FINANCIAL
17 INFORMATION IN YOUR CREDIT REPORT MAY DELAY, INTERFERE WITH, OR
18 PROHIBIT THE TIMELY APPROVAL OF ANY SUBSEQUENT REQUEST OR
19 APPLICATION YOU MAKE REGARDING NEW LOANS, CREDIT, MORTGAGE,
20 INSURANCE, GOVERNMENT SERVICES OR PAYMENTS, RENTAL HOUSING,
21 EMPLOYMENT, INVESTMENT, LICENSE, CELLULAR PHONE, UTILITIES,
22 DIGITAL SIGNATURE, INTERNET CREDIT CARD TRANSACTION, OR OTHER
23 SERVICES, INCLUDING AN EXTENSION OF CREDIT AT THE POINT OF SALE.";

24 line 22, strike "CREDIT."

** *** ** *** **