

*Colorado Legislative Council Staff***REVISED NO FISCAL IMPACT**

(replaces fiscal impact dated March 23, 2005)

Drafting Number: LLS 05-0751**Date:** April 14, 2005**Prime Sponsor(s):** Sen. Grossman
Rep. Paccione**Bill Status:** Senate 3rd Reading**Fiscal Analyst:** Steve Tammus (303-866-2756)**TITLE:** CONCERNING IDENTITY THEFT.**Summary of Assessment**

This bill, as amended during the Senate 2nd Reading, creates the Credit Report Security Freeze Act which specifies procedures whereby a consumer may request a consumer reporting agency to place, temporarily lift, and remove a security freeze on the consumer's credit report. The bill specifies conditions whereby the reporting agency must notify the consumer when an attempt has been made by a third party to access the credit report. The bill specifies certain exemptions from the security freeze restrictions.

The bill requires all consumers who receive a summary of rights under the Fair Credit Reporting Act or state law, to be notified of the right to obtain a security freeze. If a reporting agency negligently violates the security freeze, the consumer is entitled to: notification by the agency; file a complaint with the Federal Trade Commission and the State Attorney General; and file a civil action to recover injunctive relief and damages up to \$10,000 for each violation plus costs. The bill will become effective upon signature of the Governor.

The bill entitles a consumer to file a complaint with the Attorney General if a reporting agency violates the security freeze. The number of complaints are anticipated to be minimal and any associated costs may be absorbed within existing budgetary resources. The bill will not affect state or local government revenue and expenditures, and is assessed as having no fiscal impact.

Departments Contacted

Agriculture	Corrections	Education	Human Services
Higher Education	Health Care Policy	Judicial	Labor
Law	Military Affairs	Natural Resources	PERA
Personnel	Public Defender	Public Health	Public Safety
Regulatory Agencies	Revenue	State	Transportation
Treasury	Local Affairs		