



Sen. Sue Rezin

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10300SB1071sam001

LRB103 05970 SPS 61270 a

1 AMENDMENT TO SENATE BILL 1071

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1071 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Consumer Fraud and Deceptive Business  
5 Practices Act is amended by changing Section 2MM as follows:

6 (815 ILCS 505/2MM)

7 Sec. 2MM. Verification of accuracy of consumer reporting  
8 information used to extend consumers credit and security  
9 freeze on credit reports.

10 (a) A credit card issuer who mails an offer or  
11 solicitation to apply for a credit card and who receives a  
12 completed application in response to the offer or solicitation  
13 which lists an address that is not substantially the same as  
14 the address on the offer or solicitation may not issue a credit  
15 card based on that application until reasonable steps have  
16 been taken to verify the applicant's change of address.

1 (b) Any person who uses a consumer credit report in  
2 connection with the approval of credit based on the  
3 application for an extension of credit, and who has received  
4 notification of a police report filed with a consumer  
5 reporting agency that the applicant has been a victim of  
6 financial identity theft, as defined in Section 16-30 or  
7 16G-15 of the Criminal Code of 1961 or the Criminal Code of  
8 2012, may not lend money or extend credit without taking  
9 reasonable steps to verify the consumer's identity and confirm  
10 that the application for an extension of credit is not the  
11 result of financial identity theft.

12 (c) A consumer may request that a security freeze be  
13 placed on his or her credit report by sending a request in  
14 writing by certified mail or by at least one of telephone or  
15 electronic means to a consumer reporting agency at an address  
16 or telephone or electronic location designated by the consumer  
17 reporting agency to receive such requests.

18 The following persons may request that a security freeze  
19 be placed on the credit report of a person with a disability:

20 (1) a guardian of the person with a disability who is  
21 the subject of the request, appointed under Article XIa of  
22 the Probate Act of 1975; and

23 (2) an agent of the person with a disability who is the  
24 subject of the request, under a written durable power of  
25 attorney that complies with the Illinois Power of Attorney  
26 Act.

1           The following persons may request that a security freeze  
2 be placed on the credit report of a minor:

3           (1) a guardian of the minor who is the subject of the  
4 request, appointed under Article XI of the Probate Act of  
5 1975;

6           (2) a parent of the minor who is the subject of the  
7 request; and

8           (3) a guardian appointed under the Juvenile Court Act  
9 of 1987 for a minor under the age of 18 who is the subject  
10 of the request or, with a court order authorizing the  
11 guardian consent power, for a youth who is the subject of  
12 the request who has attained the age of 18, but who is  
13 under the age of 21.

14           This subsection (c) does not prevent a consumer reporting  
15 agency from advising a third party that a security freeze is in  
16 effect with respect to the consumer's credit report.

17           (d) A consumer reporting agency shall place a security  
18 freeze on a consumer's credit report no later than 5 business  
19 days after receiving a written request from the consumer:

20           (1) a written request described in subsection (c); and

21           (2) proper identification.

22           (e) Upon placing the security freeze on the consumer's  
23 credit report, the consumer reporting agency shall send to the  
24 consumer within 10 business days a written confirmation of the  
25 placement of the security freeze and a unique personal  
26 identification number or password or similar device, other

1 than the consumer's Social Security number, to be used by the  
2 consumer when providing authorization for the release of his  
3 or her credit report for a specific party or period of time.

4 (f) If the consumer wishes to allow his or her credit  
5 report to be accessed for a specific party or period of time  
6 while a freeze is in place, he or she shall contact the  
7 consumer reporting agency using a point of contact designated  
8 by the consumer reporting agency, request that the freeze be  
9 temporarily lifted, and provide the following:

10 (1) proper identification;

11 (2) the unique personal identification number or  
12 password or similar device provided by the consumer  
13 reporting agency; and

14 (3) the proper information regarding the third party  
15 or time period for which the report shall be available to  
16 users of the credit report.

17 A security freeze for a minor may not be temporarily  
18 lifted. This Section does not require a consumer reporting  
19 agency to provide to a minor or a parent or guardian of a minor  
20 on behalf of the minor a unique personal identification  
21 number, password, or similar device provided by the consumer  
22 reporting agency for the minor, or parent or guardian of the  
23 minor, to use to authorize the consumer reporting agency to  
24 release information from a minor.

25 (g) A consumer reporting agency shall develop a contact  
26 method to receive and process a request from a consumer to

1 temporarily lift a freeze on a credit report pursuant to  
2 subsection (f) in an expedited manner.

3 A contact method under this subsection shall include: (i)  
4 a postal address; and (ii) an electronic contact method chosen  
5 by the consumer reporting agency, which may include the use of  
6 telephone, fax, Internet, or other electronic means.

7 (h) A consumer reporting agency that receives a request  
8 from a consumer to temporarily lift a freeze on a credit report  
9 pursuant to subsection (f), shall comply with the request no  
10 later than 3 business days after receiving the request.

11 (i) A consumer reporting agency shall remove or  
12 temporarily lift a freeze placed on a consumer's credit report  
13 only in the following cases:

14 (1) upon consumer request, pursuant to subsection (f)  
15 or subsection (l) of this Section; or

16 (2) if the consumer's credit report was frozen due to  
17 a material misrepresentation of fact by the consumer.

18 If a consumer reporting agency intends to remove a freeze  
19 upon a consumer's credit report pursuant to this subsection,  
20 the consumer reporting agency shall notify the consumer in  
21 writing prior to removing the freeze on the consumer's credit  
22 report.

23 (j) If a third party requests access to a credit report on  
24 which a security freeze is in effect, and this request is in  
25 connection with an application for credit or any other use,  
26 and the consumer does not allow his or her credit report to be

1 accessed for that specific party or period of time, the third  
2 party may treat the application as incomplete.

3 (k) If a consumer requests a security freeze, the credit  
4 reporting agency shall disclose to the consumer the process of  
5 placing and temporarily lifting a security freeze, and the  
6 process for allowing access to information from the consumer's  
7 credit report for a specific party or period of time while the  
8 freeze is in place.

9 (l) A security freeze shall remain in place until the  
10 consumer or person authorized under subsection (c) to act on  
11 behalf of the minor or person with a disability who is the  
12 subject of the security freeze requests, using a point of  
13 contact designated by the consumer reporting agency, that the  
14 security freeze be removed. A credit reporting agency shall  
15 remove a security freeze within 3 business days of receiving a  
16 request for removal from the consumer, who provides:

17 (1) proper identification; and

18 (2) the unique personal identification number or  
19 password or similar device provided by the consumer  
20 reporting agency.

21 (m) A consumer reporting agency shall require proper  
22 identification of the person making a request to place or  
23 remove a security freeze and may require proper identification  
24 and proper authority from the person making the request to  
25 place or remove a freeze on behalf of the person with a  
26 disability or minor.

1           (n) The provisions of subsections (c) through (m) of this  
2 Section do not apply to the use of a consumer credit report by  
3 any of the following:

4           (1) A person or entity, or a subsidiary, affiliate, or  
5 agent of that person or entity, or an assignee of a  
6 financial obligation owing by the consumer to that person  
7 or entity, or a prospective assignee of a financial  
8 obligation owing by the consumer to that person or entity  
9 in conjunction with the proposed purchase of the financial  
10 obligation, with which the consumer has or had prior to  
11 assignment an account or contract, including a demand  
12 deposit account, or to whom the consumer issued a  
13 negotiable instrument, for the purposes of reviewing the  
14 account or collecting the financial obligation owing for  
15 the account, contract, or negotiable instrument. For  
16 purposes of this subsection, "reviewing the account"  
17 includes activities related to account maintenance,  
18 monitoring, credit line increases, and account upgrades  
19 and enhancements.

20           (2) A subsidiary, affiliate, agent, assignee, or  
21 prospective assignee of a person to whom access has been  
22 granted under subsection (f) of this Section for purposes  
23 of facilitating the extension of credit or other  
24 permissible use.

25           (3) Any state or local agency, law enforcement agency,  
26 trial court, or private collection agency acting pursuant

1 to a court order, warrant, or subpoena.

2 (4) A child support agency acting pursuant to Title  
3 IV-D of the Social Security Act.

4 (5) The State or its agents or assigns acting to  
5 investigate fraud.

6 (6) The Department of Revenue or its agents or assigns  
7 acting to investigate or collect delinquent taxes or  
8 unpaid court orders or to fulfill any of its other  
9 statutory responsibilities.

10 (7) The use of credit information for the purposes of  
11 prescreening as provided for by the federal Fair Credit  
12 Reporting Act.

13 (8) Any person or entity administering a credit file  
14 monitoring subscription or similar service to which the  
15 consumer has subscribed.

16 (9) Any person or entity for the purpose of providing  
17 a consumer with a copy of his or her credit report or score  
18 upon the consumer's request.

19 (10) Any person using the information in connection  
20 with the underwriting of insurance.

21 (n-5) A consumer reporting agency may not impose a charge  
22 on a consumer for placing a freeze, removing a freeze, or  
23 temporarily lifting a freeze.

24 (o) If a security freeze is in place, a consumer reporting  
25 agency shall not change any of the following official  
26 information in a credit report without sending a written



1 confirmation of the change to the consumer within 30 days of  
2 the change being posted to the consumer's file: (i) name, (ii)  
3 date of birth, (iii) Social Security number, and (iv) address.  
4 Written confirmation is not required for technical  
5 modifications of a consumer's official information, including  
6 name and street abbreviations, complete spellings, or  
7 transposition of numbers or letters. In the case of an address  
8 change, the written confirmation shall be sent to both the new  
9 address and to the former address.

10 (p) The following entities are not required to place a  
11 security freeze in a consumer report, however, pursuant to  
12 paragraph (3) of this subsection, a consumer reporting agency  
13 acting as a reseller shall honor any security freeze placed on  
14 a consumer credit report by another consumer reporting agency:

15 (1) A check services or fraud prevention services  
16 company, which issues reports on incidents of fraud or  
17 authorizations for the purpose of approving or processing  
18 negotiable instruments, electronic funds transfers, or  
19 similar methods of payment.

20 (2) A deposit account information service company,  
21 which issues reports regarding account closures due to  
22 fraud, substantial overdrafts, ATM abuse, or similar  
23 negative information regarding a consumer to inquiring  
24 banks or other financial institutions for use only in  
25 reviewing a consumer request for a deposit account at the  
26 inquiring bank or financial institution.

1 (3) A consumer reporting agency that:

2 (A) acts only to resell credit information by  
3 assembling and merging information contained in a  
4 database of one or more consumer reporting agencies;  
5 and

6 (B) does not maintain a permanent database of  
7 credit information from which new credit reports are  
8 produced.

9 (p-5) No consumer reporting agency may furnish a consumer  
10 report that is not requested by the consumer if the report is  
11 being procured based in whole or in part on the presence of an  
12 inquiry made in connection with a residential mortgage loan as  
13 defined by Section 103 of the Truth in Lending Act (15 U.S.C.  
14 1602).

15 (q) For purposes of this Section:

16 "Credit report" has the same meaning as "consumer report",  
17 as ascribed to it in 15 U.S.C. Sec. 1681a(d).

18 "Consumer reporting agency" has the meaning ascribed to it  
19 in 15 U.S.C. Sec. 1681a(f).

20 "Security freeze" means a notice placed in a consumer's  
21 credit report, at the request of the consumer and subject to  
22 certain exceptions, that prohibits the consumer reporting  
23 agency from releasing the consumer's credit report or score  
24 relating to an extension of credit, without the express  
25 authorization of the consumer.

26 "Extension of credit" does not include an increase in an

1 existing open-end credit plan, as defined in Regulation Z of  
2 the Federal Reserve System (12 C.F.R. 226.2), or any change to  
3 or review of an existing credit account.

4 "Proper authority" means documentation that shows that a  
5 parent, guardian, or agent has authority to act on behalf of a  
6 minor or person with a disability. "Proper authority" includes  
7 (1) an order issued by a court of law that shows that a  
8 guardian has authority to act on behalf of a minor or person  
9 with a disability, (2) a written, notarized statement signed  
10 by a parent that expressly describes the authority of the  
11 parent to act on behalf of the minor, or (3) a durable power of  
12 attorney that complies with the Illinois Power of Attorney  
13 Act.

14 "Proper identification" means information generally deemed  
15 sufficient to identify a person. Only if the consumer is  
16 unable to reasonably identify himself or herself with the  
17 information described above, may a consumer reporting agency  
18 require additional information concerning the consumer's  
19 employment and personal or family history in order to verify  
20 his or her identity.

21 (r) Any person who violates this Section commits an  
22 unlawful practice within the meaning of this Act.

23 (Source: P.A. 99-143, eff. 7-27-15; 99-373, eff. 1-1-16;  
24 99-642, eff. 7-28-16; 100-589, eff. 6-8-18.)".