

1 AN ACT in relation to consumer credit.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by adding Section 7.5 as follows:

6 (815 ILCS 505/7.5 new)

7 Sec. 7.5. Verification of accuracy of credit reporting
8 information used to extend consumers credit.

9 (a) Any person who uses a consumer credit report in
10 connection with the approval of credit based on an
11 application for an extension of credit, and who discovers
12 that the address on the credit application does not match,
13 within a reasonable degree of certainty, the address or
14 addresses listed, if any, on the consumer credit report,
15 shall take reasonable steps to verify the accuracy of the
16 address provided on the application for the extension of
17 credit and that the application is not the result of
18 financial identity theft as defined in Section 16G-15 of the
19 Criminal Code of 1961.

20 (b) Any person who uses a consumer credit report in
21 connection with the approval of credit based on the
22 application for an extension of credit, and who has received
23 notification that the applicant has been a victim of
24 financial identity theft, as defined in Section 16G-15 of
25 the Criminal Code of 1961, may not lend money or extend
26 credit without taking reasonable steps to verify the
27 consumer's identity and confirm that the application for an
28 extension of credit is not the result of financial identity
29 theft.

30 (c) Any consumer who suffers damages as a result of a
31 violation of this Section by any person may bring an action

1 in a court of appropriate jurisdiction against that person
2 to recover actual damages, court costs, attorney's fees, and
3 punitive damages of not more than \$30,000 for each violation,
4 as the court deems proper.

5 (d) For purposes of this Section, "extension of credit"
6 does not include an increase in an existing open-end credit
7 plan, as defined in Regulation Z of the Federal Reserve
8 System (12 C.F.R. 226.2), or any change to or review of an
9 existing credit account.

10 (e) If a consumer provides initial written notice to a
11 creditor that he or she is a victim of financial identity
12 theft, as defined in Section 16G-15 of the Criminal Code of
13 1961, the creditor shall provide written notice to the
14 consumer of his or her rights under this Section.