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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1879 Session of  
2017

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INTRODUCED BY TALLMAN, MILLARD, RYAN, ROZZI, PICKETT, BARRAR,  
DIGIROLAMO, LAWRENCE, IRVIN AND GILLEN, OCTOBER 24, 2017

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REFERRED TO COMMITTEE ON COMMERCE, OCTOBER 24, 2017

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AN ACT

1 Amending the act of November 29, 2006 (P.L.1463, No.163),  
2 entitled "An act providing for protection from identity  
3 theft, for security freezes, for procedures for access after  
4 imposition and removal of security freezes and for related  
5 matters," further providing for definitions and for fees; and  
6 providing for reimbursement for security breach and for  
7 notice of security breach.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. Section 2 of the act of November 29, 2006  
11 (P.L.1463, No.163), known as the Credit Reporting Agency Act, is  
12 amended by adding a definition to read:

13 Section 2. Definitions.

14 The following words and phrases when used in this act shall  
15 have the meanings given to them in this section unless the  
16 context clearly indicates otherwise:

17 \* \* \*

18 "Security breach." An incident of unauthorized access to and  
19 acquisition of records or data:

20 (1) that was not rendered unusable through encryption,

1 redaction or other methods containing consumer identifying  
2 information;

3 (2) that compromises the security, confidentiality or  
4 integrity of the consumer identifying information maintained  
5 by a consumer; and

6 (3) when illegal use of the consumer identifying  
7 information has occurred or is reasonably likely to occur or  
8 use of the consumer identifying information creates a  
9 material risk of harm to the consumer.

10 The term does not include good faith acquisition of consumer  
11 identifying information by an employee or agent of the consumer  
12 for a legitimate purpose, if the consumer identifying  
13 information is not used for a purpose other than a lawful  
14 purpose of the consumer and is not subject to further  
15 unauthorized disclosure.

16 \* \* \*

17 Section 2. Section 9 of the act is amended to read:

18 Section 9. Fees.

19 (a) General rule.--[A] No consumer reporting agency may  
20 impose a [reasonable charge] fee on a consumer for initially  
21 placing a security freeze or temporarily lifting the security  
22 freeze on a consumer report. [The amount of the charge may not  
23 exceed \$10. The charge to temporarily lift the security freeze  
24 may not exceed \$10 per request. At no time shall the consumer be  
25 charged for removing the freeze.]

26 (b) Exceptions.--

27 (1) A consumer will not be charged by a consumer  
28 reporting agency for placing a security freeze or temporarily  
29 lifting a security freeze if the consumer is a victim of  
30 identity theft and provides, or has provided, the consumer

1 reporting agency with a copy of a police report.

2 (2) A consumer will not be charged by a consumer  
3 reporting agency for placing a security freeze if the  
4 consumer is 65 years of age or older.]

5 (c) Confirmation required.--If a security freeze is in  
6 place, a consumer reporting agency shall not change any of the  
7 following information regarding a consumer without sending a  
8 written confirmation of the change to the consumer within 30  
9 days of the change being posted:

10 (1) Name.

11 (2) Date of birth.

12 (3) Social Security number.

13 (4) Address.

14 Written confirmation is not required for technical modifications  
15 of a consumer's official information, including name and street  
16 abbreviations, complete spellings or transposition of numbers or  
17 letters. In the case of an address change, the written  
18 confirmation shall be sent to both the new address and to the  
19 former address.

20 Section 3. The act is amended by adding sections to read:

21 Section 9.1. Reimbursement for security breach.

22 A consumer reporting agency that sustains a security breach  
23 shall reimburse the consumers affected by the security breach  
24 for the expense of not more than two consumer reports from all  
25 credit agencies within 90 days of the security breach.

26 Section 9.2. Notice of security breach.

27 (a) Duty to notify consumers.--In the event a security  
28 breach occurs at a consumer reporting agency, the consumer  
29 reporting agency shall, within five business days after the  
30 security breach occurs or the credit reporting agency has notice

1 of the security breach, whichever occurs later, send a notice to  
2 the consumers affected by the security breach that a security  
3 breach has occurred.

4 (b) Contents of notice.--The notice required under  
5 subsection (a) shall include the date of the security breach and  
6 a statement that the consumer reporting agency will reimburse  
7 the consumers for the expense of not more than two consumer  
8 reports from all credit agencies within 90 days of the security  
9 breach.

10 (c) Penalty.--In addition to any other penalty provided by  
11 this act or other law, a consumer reporting agency that  
12 willfully fails to send the notice to consumers as required  
13 under this section shall be liable for not more than \$1,000 for  
14 each consumer to whom the notice was not sent.

15 Section 4. This act shall take effect in 60 days.