
A BILL FOR AN ACT

RELATING TO CONSUMER CREDIT REPORTING AGENCIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to enhance consumer
2 protections by allowing consumers, protected consumers, and
3 representatives of protected consumers to request consumer
4 reporting agencies to place, remove, or lift a security freeze
5 on their consumer reports without charge because of recent
6 security breaches of databases that contain consumer identifying
7 information.

8 SECTION 2. Section 489P-2, Hawaii Revised Statutes, is
9 amended to read as follows:

10 " [H] §489P-2 [H] **Definitions.** When used in this chapter,
11 unless the context otherwise requires:

12 "Consumer credit reporting agency" or "consumer reporting
13 agency" means any person who, for monetary fees or dues or on a
14 cooperative nonprofit basis, regularly engages in whole or in
15 part in the practice of assembling or evaluating consumer credit
16 information or other information on consumers for the purpose of
17 furnishing credit reports to third parties, but does not include



1 any governmental agency whose records are maintained primarily
2 for law enforcement or licensing purposes.

3 "Credit report" means any written, oral, or other
4 communication of any credit information by a consumer reporting
5 agency, as defined in the federal Fair Credit Reporting Act,
6 which operates or maintains a database of consumer credit
7 information bearing on a consumer's credit worthiness, credit
8 standing, or credit capacity.

9 [~~"Identity theft" means the unauthorized use of another~~
10 ~~person's identifying information to obtain credit, goods,~~
11 ~~services, money, or property.]~~

12 "Security freeze" means a notice placed in a credit
13 report[~~]~~ at the request of the consumer [~~who is a victim of~~
14 ~~identity theft.]~~ or the protected consumer's representative."

15 SECTION 3. Section 489P-3, Hawaii Revised Statutes, is
16 amended as follows:

17 1. By amending subsection (a) to read:

18 "(a) Any consumer who is a resident of this State may
19 place a security freeze on the consumer's credit report. A
20 consumer credit reporting agency shall not charge [~~a victim of~~
21 ~~identity theft]~~ a fee for placing, lifting, or removing a



1 security freeze on a credit report [~~but may charge any other~~
2 ~~consumer a fee not to exceed \$5 for each request by the consumer~~
3 ~~to place, lift, or remove a security freeze from the consumer's~~
4 ~~credit report~~].

5 A consumer who is a resident of this State [~~and has been~~
6 ~~the victim of identity theft~~] may place a security freeze on the
7 consumer's credit report by making a request [~~in writing by~~
8 ~~certified mail~~] to a consumer credit reporting agency, at an
9 address, telephone number, or website designated by the agency
10 to receive such requests, [~~with a valid copy of a police report,~~
11 ~~investigative report, or complaint the consumer has filed with a~~
12 ~~law enforcement agency about unlawful use of the consumer's~~
13 ~~personal information by another person. A consumer who has not~~
14 ~~been the victim of identity theft may place a security freeze on~~
15 ~~the consumer's credit report by making a request in writing by~~
16 ~~certified mail to a consumer credit reporting agency.] by any of
17 the following methods:~~

- 18 (1) First-class mail;
- 19 (2) Telephone call; or
- 20 (3) Secure website.



1 A security freeze shall prohibit the consumer credit
2 reporting agency from releasing the consumer's credit report or
3 any information from it without the express authorization of the
4 consumer. This subsection shall not prevent a consumer credit
5 reporting agency from advising a third party that a security
6 freeze is in effect with respect to the consumer's credit
7 report."

8 2. By amending subsection (g) to read:

9 "(g) A consumer reporting agency shall remove or
10 temporarily lift a freeze placed on a consumer's credit report
11 only in the following cases:

12 (1) Upon consumer request; or

13 (2) When the consumer's credit report was frozen due to a
14 material misrepresentation of fact by the consumer.

15 If a consumer reporting agency [~~intends to remove~~] removes a
16 security freeze upon a consumer's credit report pursuant to this
17 subsection, the consumer reporting agency shall [~~notify~~] send a
18 written confirmation of the removal of the security freeze to
19 the consumer [~~in writing prior to~~] within five business days of
20 removing the security freeze on the consumer's credit report."



1 SECTION 4. Section 489P-3.5, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) A consumer credit reporting agency shall place a
5 security freeze on a protected consumer's credit report or
6 records if:

7 (1) The consumer credit reporting agency receives a
8 request from the protected consumer's representative
9 for the placement of the security freeze under this
10 section; and

11 (2) The protected consumer's representative:

12 (A) Submits the request to the consumer credit
13 reporting agency at the address or other point of
14 contact specified by the consumer credit
15 reporting agency;

16 (B) Provides to the consumer credit reporting agency
17 sufficient proof of identification of the
18 protected consumer and the protected consumer's
19 representative; and



1 (C) Provides to the consumer credit reporting agency
2 sufficient proof of authority to act on behalf of
3 the protected consumer [~~and~~
4 ~~(D) Pays to the consumer credit reporting agency a~~
5 ~~fee as provided in subsection (h)] ."~~

6 2. By amending subsection (f) to read:

7 "(f) If a protected consumer or a protected consumer's
8 representative wishes to remove a security freeze for the
9 protected consumer, the protected consumer or the protected
10 consumer's representative shall:

11 (1) Submit a request for the removal of the security
12 freeze to the consumer credit reporting agency at the
13 address or other point of contact specified by the
14 consumer credit reporting agency; and

15 (2) Provide to the consumer credit reporting agency:

16 (A) In the case of a request by the protected
17 consumer:

18 (i) Proof that the sufficient proof of authority
19 for the protected consumer's representative
20 to act on behalf of the protected consumer
21 is no longer valid; and

1 (ii) Sufficient proof of identification of the
2 protected consumer; or

3 (B) In the case of a request by the representative of
4 a protected consumer:

5 (i) Sufficient proof of identification of the
6 protected consumer and the representative;
7 and

8 (ii) Sufficient proof of authority to act on
9 behalf of the protected consumer[; and

10 ~~(3) Pay to the consumer credit reporting agency a fee as~~
11 ~~provided in subsection (h)]."~~

12 3. By amending subsection (h) to read:

13 "(h) A consumer credit reporting agency [~~may~~] shall not
14 charge a [~~reasonable~~] fee [~~;, not to exceed \$5, for each placement~~
15 ~~or removal of~~] for placing or removing a security freeze on a
16 credit report for a protected consumer[; ~~provided that a~~
17 ~~consumer credit reporting agency shall not charge a fee under~~
18 ~~this section if:~~

19 ~~(1) The protected consumer's representative has a valid~~
20 ~~copy of a police report, investigative report, or~~
21 ~~complaint which the protected consumer or the~~



1 ~~protected consumer's representative has filed with a~~
2 ~~law enforcement agency regarding the unlawful use of~~
3 ~~the protected consumer's personal information by~~
4 ~~another person, and provides a copy of the report to~~
5 ~~the consumer credit reporting agency; or~~
6 (2) ~~A request for the placement or removal of a security~~
7 ~~freeze is for a protected consumer who is under the~~
8 ~~age of sixteen at the time of the request and the~~
9 ~~consumer credit reporting agency has a credit report~~
10 ~~pertaining to the protected consumer]."~~

11 SECTION 5. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Consumer Credit Reporting Agencies; Security Freeze; Credit Report; Protected Consumers; Fees

Description:

Eliminates the fee charged by a consumer credit reporting agency to place, lift, or remove a security freeze requested by a consumer, protected consumer, or a protected consumer's representative. Allows a consumer to request a security freeze at any time. (HB2342 HD1)

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