

BILL ANALYSIS

Senate Research Center
79R789 CLG-D

S.B. 100
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Business and Commerce
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, a copy of a valid police report, investigative report, or complaint is required to obtain a security freeze on a person's assets in the event of identity theft. Victims of identity theft can use a freeze to prevent impostors from getting new credit, loans, and services in the victim's name. However, given the nature of identity theft, preventative actions are most effective if utilized soon after the initial theft has taken place.

As proposed, S.B. 100 allows a consumer to obtain a security freeze on their credit file without a police report.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 20.034(a), Business & Commerce Code, to require a consumer reporting agency, upon written request sent by certified mail that includes proper identification provided by a consumer, to place a security freeze on a consumer's consumer file not later than the fifth business day after the date the agency receives the request. Deletes existing text requiring the consumer to include certain additional documentation with the written request and identification.

SECTION 2. Amends Section 20.04(b), Business & Commerce Code, to include as a service exempt from charge by a consumer reporting agency a request for a security freeze made by a consumer who has submitted to the consumer reporting agency a copy of a valid police report, investigative report, or complaint involving the alleged commission of an offense under Section 32.51 (Fraudulent Use or Possession of Identifying Information), Penal Code. Makes a conforming change.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: upon passage or September 1, 2005.