

STATE OF NEW YORK

6886--B

2017-2018 Regular Sessions

IN SENATE

September 25, 2017

Introduced by Sen. FUNKE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Consumer Protection in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to fee assessments for security freezes following consumer credit reporting agency data breaches

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision (n) of section 380-t of the general business law is amended by adding a new paragraph 3 to read as follows:

(3) (i) For the purposes of this paragraph:

(A) a "breach of the security of the system" shall have the same definition as in paragraph (c) of subdivision one of section eight hundred ninety-nine-aa of this chapter.

(B) a "breached consumer credit reporting agency" shall mean a consumer credit reporting agency experiencing a breach of the security of the system of such consumer credit reporting agency within the past three years.

(ii) No consumer credit reporting agency shall charge a fee to a consumer for the placement of a second or subsequent freeze or for the removal of a freeze or the temporary lift of a freeze for a specific party or period of time, when a request for such placement, lift, or removal of a freeze is made within three years of a breach of the security of the system of such consumer credit reporting agency.

(iii) A breached consumer credit reporting agency shall reimburse a consumer for any fee assessed by another consumer credit reporting agency for the placement of a second or subsequent freeze or for the removal

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 of a freeze or the temporary lift of a freeze for a specific party or
2 period of time, when such request is made within three years of the
3 breach of the security of the system of such breached consumer credit
4 reporting agency. A consumer seeking reimbursement for any such assessed
5 fee shall provide such breached consumer credit reporting agency with
6 the following:

7 (A) proper identification;

8 (B) in the case of a fee assessed for the placement of a second or
9 subsequent freeze, a copy of the written confirmation of the placement
10 of a security freeze required pursuant to subdivision (c) of this
11 section; and

12 (C) in the case of a fee assessed for the removal of a freeze or the
13 temporary lift of a freeze for a specific party or period of time, such
14 documentation that such breached consumer credit reporting agency
15 reasonably deems sufficient to prove the assessment of such fee.

16 § 2. This act shall take effect on the sixtieth day after it shall
17 have become a law and shall apply to any breach of the security of the
18 system of a consumer credit reporting agency that occurred no more than
19 three years prior to the effective date of this act, provided that fees
20 assessed by a consumer credit reporting agency prior to the effective
21 date of this act shall not be eligible for reimbursement.