

(DISTRIBUTED)

TESTER

ADOPTED BY VV

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To provide freeze alerts for active duty military consumers.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

S. \_\_\_\_\_

Making appropriations for financial services and general government for the fiscal year ending September 30, 2017, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. TESTER

Viz:

- 1 At the appropriate place, insert the following:
- 2 SEC. \_\_\_\_\_. (a) Section 605A of the Fair Credit Re-
- 3 porting Act (15 U.S.C. 1681c-1) is amended—
- 4 (1) in the heading for such section, by striking
- 5 “AND ACTIVE DUTY ALERTS” and inserting “;
- 6 ACTIVE DUTY ALERTS; AND ACTIVE DUTY
- 7 FREEZE ALERTS”;
- 8 (2) by redesignating subsections (d) through (h)
- 9 as subsections (e) through (i), respectively;
- 10 (3) by inserting after subsection (c) the fol-
- 11 lowing:

1       “(d) ACTIVE DUTY FREEZE ALERTS.—Upon the di-  
2 rect request of an active duty military consumer, or an  
3 individual acting on behalf of or as a personal representa-  
4 tive of an active duty military consumer, a consumer re-  
5 porting agency described in section 603(p) that maintains  
6 a file on the active duty military consumer and has re-  
7 ceived appropriate proof of the identity of the requester,  
8 at no cost to the active duty military consumer while the  
9 consumer is deployed, shall—

10           “(1) include an active duty freeze alert in the  
11 file of that active duty military consumer, during a  
12 period of not less than 12 months, or such longer  
13 period as the Bureau shall determine, by regulation,  
14 beginning on the date of the request, unless the ac-  
15 tive duty military consumer or such representative  
16 requests that such freeze alert be removed before the  
17 end of such period, and the agency has received ap-  
18 propriate proof of the identity of the requester for  
19 such purpose; and

20           “(2) during the 2-year period beginning on the  
21 date of such request, exclude the active duty military  
22 consumer from any list of consumers prepared by  
23 the consumer reporting agency and provided to any  
24 third party to offer credit or insurance to the con-  
25 sumer as part of a transaction that was not initiated

1 by the consumer, unless the consumer requests that  
2 such exclusion be rescinded before the end of such  
3 period.”;

4 ~~(3)~~(4) in subsection (g), as so redesignated, by  
5 striking “or active duty alert” and inserting “active  
6 duty alert, or active duty freeze alert”; and

7 ~~(4)~~(5) in subsection (i), as so redesignated, by  
8 adding at the end the following:

9 “(3) REQUIREMENTS FOR ACTIVE DUTY  
10 FREEZE ALERTS.—

11 “(A) NOTIFICATION.—Each active duty  
12 freeze alert under this section shall include in-  
13 formation that notifies all prospective users of  
14 a consumer report on the consumer to which  
15 the freeze alert relates that the consumer does  
16 not authorize the establishment of any new  
17 credit plan or extension of credit, other than  
18 under an open-end credit plan (as defined in  
19 section 103(i)), in the name of the consumer, or  
20 issuance of an additional card on an existing  
21 credit account requested by a consumer, or any  
22 increase in credit limit on an existing credit ac-  
23 count requested by a consumer.

24 “(B) PROHIBITION ON USERS.—No pro-  
25 spective user of a consumer report that includes

1 an active duty freeze alert in accordance with  
2 this section may establish a new credit plan or  
3 extension of credit, other than under an open-  
4 end credit plan (as defined in section 103(i)), in  
5 the name of the consumer, or issue an addi-  
6 tional card on an existing credit account re-  
7 quested by a consumer, or grant any increase in  
8 credit limit on an existing credit account re-  
9 quested by a consumer unless the user uses rea-  
10 sonable policies and procedures to form a rea-  
11 sonable belief that the user knows the identity  
12 of the person making the request.”.

13 (b) The Bureau of Consumer Financial Protection  
14 shall prescribe regulations to define what constitutes ap-  
15 propriate proof of identity for purposes of section 605A(d)  
16 of the Fair Credit Reporting Act, as amended by sub-  
17 section (a).

18 (c) Section 603(q)(2) of the Fair Credit Reporting  
19 Act (15 U.S.C. 1681a(q)(2)) is amended—

20 (1) in the heading for such paragraph, by strik-  
21 ing “ACTIVE DUTY ALERT” and inserting “ACTIVE  
22 DUTY ALERT; ACTIVE DUTY FREEZE ALERT”; and

23 (2) by inserting “and ‘active duty freeze alert’ ”  
24 before “mean”.

1 (d) This section, and any amendment made by this  
2 section, shall take effect on October 1, ~~2017~~  
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