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State of Minnesota

Printed Page No. 299

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 3480

03/08/2018 Authored by Barr, R.; Fenton; Anselmo; Daniels; Koznick and others
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform
03/15/2018 Adoption of Report: Amended and re-referred to the Committee on Civil Law and Data Practices Policy
03/26/2018 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

1.1 A bill for an act
1.2 relating to consumer protection; modifying consumer report regulation; regulating
1.3 security freezes, alternative dispute resolution, and credit monitoring services;
1.4 amending Minnesota Statutes 2016, section 13C.016, subdivision 8; proposing
1.5 coding for new law in Minnesota Statutes, chapter 13C.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2016, section 13C.016, subdivision 8, is amended to read:

1.8 Subd. 8. Fees. (a) A consumer reporting agency may not charge a fee of \$5 for placing,
1.9 temporarily lifting, or removing a security freeze unless:

1.10 (1) the consumer is a victim of identity theft as defined in subdivision 1, paragraph (c);
1.11 and

1.12 (2) the consumer provides the consumer reporting agency with a valid copy of a police
1.13 report or a police case number documenting the identity theft.

1.14 (b) In addition to the charge, if any, permitted under paragraph (a), A consumer may be
1.15 charged no more than \$5 if the consumer fails to retain the original personal identification
1.16 number given to the consumer by the agency, but the consumer may not be charged for a
1.17 onetime reissue of the same or a new personal identification number. The consumer may
1.18 be charged no more than \$5 for subsequent instances of loss of the personal identification
1.19 number.

1.20 (c) A consumer who makes a written request by mail may pay any fee charged pursuant
1.21 to this subdivision by check, money order, or credit card. A consumer who makes a request
1.22 by telephone or other electronic media may pay any fee charged pursuant to this subdivision
1.23 by credit card.

2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
2.2 applies to security freezes placed, temporarily lifted, or removed on or after that date.

2.3 Sec. 2. **[13C.05] ALTERNATIVE DISPUTE RESOLUTION.**

2.4 A contract between a consumer reporting agency and a consumer that allows or requires
2.5 arbitration, mediation, or any other form of alternative dispute resolution must be venued
2.6 in the county of this state where the consumer resides. Any clause in the contract that
2.7 provides otherwise is void and unenforceable.

2.8 **EFFECTIVE DATE.** This section is effective the day following final enactment and
2.9 applies to contracts entered into on or after that date.

2.10 Sec. 3. **[13C.06] CREDIT MONITORING SERVICES.**

2.11 If a consumer reporting agency has had a breach of the security system involving a
2.12 consumer's personal information, as provided in section 325E.61, the consumer reporting
2.13 agency must offer credit monitoring services to the consumer for six years from the date of
2.14 the breach, or the date the consumer reporting agency notifies the consumer of the breach,
2.15 whichever is later. The credit monitoring services must be offered at no cost to the consumer.

2.16 **EFFECTIVE DATE.** This section is effective the day following final enactment and
2.17 applies to breaches of the security system that occur on or after that date.