

**CS FOR HOUSE BILL NO. 65(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/24/07

Referred: Judiciary, Finance

Sponsor(s): REPRESENTATIVES COGHILL AND GARA, Hawker, Lynn, Samuels, Fairclough, Ramras, Kawasaki, Kerttula, Gatto, Neuman, Olson

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to breaches of security involving personal information, credit report  
2 and credit score security freezes, consumer credit monitoring, credit accuracy,  
3 protection of social security numbers, care of records, disposal of records, identity theft,  
4 furnishing consumer credit header information, credit cards, and debit cards, and to the  
5 jurisdiction of the office of administrative hearings; amending Rule 60, Alaska Rules of  
6 Civil Procedure; and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 \* **Section 1.** AS 40.21.110 is amended to read:

9 **Sec. 40.21.110. Care of records.** Except for public records lawfully in the  
10 possession of a person other than the state, public records of existing or defunct  
11 agencies of the state, territorial, and Russian governments in Alaska are the property  
12 of the state and shall be created, maintained, preserved, stored, transferred, destroyed  
13 or disposed of, and otherwise managed in accordance with the provisions of this

1 chapter **and AS 45.48.500 - 45.48.530**. Records shall be delivered by outgoing  
 2 officials and employees to their successors, and may not be removed, destroyed or  
 3 disposed of, except as provided in this chapter **and AS 45.48.500 - 45.48.530**.

4 \* **Sec. 2.** AS 44.64.030(a) is amended by adding a new paragraph to read:

5 (35) AS 45.48.080(c) (breach of security involving personal  
 6 information).

7 \* **Sec. 3.** AS 45 is amended by adding a new chapter to read:

8 **Chapter 48. Personal Information Protection Act.**

9 **Article 1. Breach of Security Involving Personal Information.**

10 **Sec. 45.48.010. Disclosure of breach of security.** (a) If a person owns or uses  
 11 personal information that includes personal information on a state resident, and a  
 12 breach of the security of the information system containing the personal information  
 13 occurs, the person shall, after discovering or being notified of the breach, disclose the  
 14 breach to each state resident whose personal information was subject to the breach.

15 (b) An information collector shall make the disclosure required by (a) of this  
 16 section in the most expeditious time possible and without unreasonable delay, except  
 17 as provided in AS 45.48.020 and as necessary to determine the scope of the breach and  
 18 restore the reasonable integrity of the information system.

19 **Sec. 45.48.020. Allowable delay in notification.** An information collector  
 20 may delay disclosing the breach under AS 45.48.010 if an appropriate law  
 21 enforcement agency determines that disclosing the breach will interfere with a  
 22 criminal investigation. However, the information collector shall disclose the breach to  
 23 the state resident in the most expeditious time possible and without unreasonable delay  
 24 after the law enforcement agency informs the information collector in writing that  
 25 disclosure of the breach will no longer interfere with the investigation.

26 **Sec. 45.48.030. Methods of notice.** An information collector shall make the  
 27 disclosure required by AS 45.48.010

28 (1) by a written document sent to the most recent address the  
 29 information collector has for the state resident;

30 (2) by electronic means if making the disclosure by the electronic  
 31 means is consistent with the provisions regarding electronic records and signatures

1 required for notices legally required to be in writing under 15 U.S.C. 7001 et seq.  
2 (Electronic Signatures in Global and National Commerce Act); or

3 (3) if the information collector demonstrates that the cost of providing  
4 notice would exceed \$150,000, that the affected class of state residents to be notified  
5 exceeds 300,000, or that the information collector does not have sufficient contact  
6 information to provide notice, by

7 (A) electronic mail if the information collector has an  
8 electronic mail address for the state resident;

9 (B) conspicuously posting the disclosure on the Internet  
10 website of the information collector if the information collector maintains an  
11 Internet site; and

12 (C) providing a notice to major statewide media.

13 **Sec. 45.48.040. Notification of certain other agencies.** (a) If an information  
14 collector is required by AS 45.48.010 to notify more than 1,000 state residents of a  
15 breach, the information collector shall also notify without unreasonable delay all  
16 consumer credit reporting agencies that compile and maintain files on consumers on a  
17 nationwide basis and provide the agencies with the timing, distribution, and content of  
18 the notices.

19 (b) This section may not be construed to require the information collector to  
20 provide the consumer reporting agencies identified under (a) of this section with the  
21 names or other personal information of the state residents whose personal information  
22 was subject to the breach.

23 (c) This section does not apply to an information collector who is subject to 15  
24 U.S.C. 6801 - 6827 (Gramm-Leach-Bliley Financial Modernization Act).

25 (d) In this section, "consumer reporting agency that compiles and maintains  
26 files on consumers on a nationwide basis" has the meaning given in 15 U.S.C.  
27 1681a(p).

28 **Sec. 45.48.050. Exception for employees and agents.** In AS 45.48.010 -  
29 45.48.090, the good faith acquisition of personal information by an employee or agent  
30 of an information collector for a legitimate purpose of the information collector is not  
31 a breach of the security of the information system if the employee or agent does not

1 use the personal information for a purpose unrelated to a legitimate purpose of the  
2 information collector and does not make further unauthorized disclosure of the  
3 personal information.

4 **Sec. 45.48.060. Waivers.** A waiver of AS 45.48.010 - 45.48.090 is void and  
5 unenforceable.

6 **Sec. 45.48.070. Treatment of certain breaches.** (a) If a breach of the security  
7 of the information system containing personal information on a state resident that is  
8 maintained by an information recipient occurs, the information recipient is not  
9 required to comply with AS 45.48.010 - 45.48.030. However, immediately after the  
10 information recipient discovers the breach, the information recipient shall notify the  
11 information distributor who owns the personal information or who licensed the use of  
12 the personal information to the information recipient about the breach and cooperate  
13 with the information distributor as necessary to allow the information distributor to  
14 comply with (b) of this section. In this subsection, "cooperate" means sharing with the  
15 information distributor information relevant to the breach, except for confidential  
16 business information or trade secrets.

17 (b) If an information recipient notifies an information distributor of a breach  
18 under (a) of this section, the information distributor shall comply with AS 45.48.010 -  
19 45.48.030 as if the breach occurred to the information system maintained by the  
20 information distributor.

21 **Sec. 45.48.080. Violations.** (a) If an information collector who is a  
22 governmental agency violates AS 45.48.010 - 45.48.090 with regard to the personal  
23 information of a state resident, the information collector

24 (1) is liable to the state for a civil penalty of up to \$500 for each state  
25 resident who was not notified under AS 45.48.010 - 45.48.090, but the total civil  
26 penalty may not exceed \$50,000; and

27 (2) may be enjoined from further violations.

28 (b) If an information collector who is not a governmental agency violates  
29 AS 45.48.010 - 45.48.090 with regard to the personal information of a state resident,  
30 the violation is an unfair or deceptive act or practice under AS 45.50.471 - 45.50.561.  
31 However, the information collector is not subject to the civil penalties imposed under

1 AS 45.50.551 but is liable to the state for a civil penalty of up to \$500 for each state  
 2 resident who was not notified under AS 45.48.010 - 45.48.090, except that the total  
 3 civil penalty may not exceed \$50,000.

4 (c) The Department of Administration may enforce (a) of this section against a  
 5 governmental agency. The procedure for review of an order or action of the  
 6 department under this subsection is the same as the procedure provided by AS 44.62  
 7 (Administrative Procedure Act), except that the office of administrative hearings  
 8 (AS 44.64.010) shall conduct the hearings in contested cases and the decision may be  
 9 appealed under AS 44.64.030(c).

10 (d) In this section, "governmental agency" means a state or local governmental  
 11 agency, except for an agency of the judicial branch.

12 **Sec. 45.48.090. Definitions.** In AS 45.48.010 - 45.48.090,

13 (1) "breach of the security" means unauthorized acquisition, or  
 14 reasonable belief of unauthorized acquisition, of personal information that  
 15 compromises the security, confidentiality, or integrity of the personal information  
 16 maintained by the information collector; in this paragraph, "acquisition" includes  
 17 acquisition by

18 (A) photocopying, facsimile, or other paper-based method;

19 (B) a device, including a computer, that can read, write, or  
 20 store information that is represented in numerical form; or

21 (C) a method not identified by (A) or (B) of this paragraph;

22 (2) "information collector" means a person who owns or uses personal  
 23 information in any form if the personal information includes personal information on a  
 24 state resident;

25 (3) "information distributor" means a person who is an information  
 26 collector and who owns or licenses personal information to an information recipient;

27 (4) "information recipient" means a person who is an information  
 28 collector but who does not own or have the right to license to another information  
 29 collector the personal information received by the person from an information  
 30 distributor;

31 (5) "personal information" means information in any form on an

1 individual that is not encrypted or redacted, or is encrypted and the encryption key has  
2 been accessed or acquired, and that consists of a combination of

3 (A) an individual's name, address, or telephone number; in this  
4 subparagraph, "individual's name" means a combination of an individual's

5 (i) first name or first initial; and

6 (ii) last name; and

7 (B) one or more of the following information elements:

8 (i) the individual's social security number;

9 (ii) the individual's driver's license number or state  
10 identification card number;

11 (iii) the individual's account number, credit card  
12 account number, or debit card account number;

13 (iv) account passwords or personal identification  
14 numbers or other access codes.

15 **Article 2. Credit Report and Credit Score Security Freeze.**

16 **Sec. 45.48.100. Security freeze authorized.** A consumer may prohibit a  
17 consumer credit reporting agency from releasing all or a part of the consumer's credit  
18 report or credit score without the express authorization of the consumer by placing a  
19 security freeze on the consumer's credit report.

20 **Sec. 45.48.110. Placement of security freeze.** (a) To place a security freeze, a  
21 consumer shall make the request to the consumer credit reporting agency

22 (1) by certified mail to the address designated by the consumer credit  
23 reporting agency to receive security freeze requests; or

24 (2) as allowed by (b) of this section.

25 (b) A consumer may make a request under (a) of this section by telephone or  
26 by fax, the Internet, or other electronic media if the consumer credit reporting agency  
27 has developed procedures for using the telephone or an electronic medium to receive  
28 and process the request in an expedited manner.

29 (c) A consumer credit reporting agency shall place a security freeze within  
30 five business days after receiving a request under (a) or (b) of this section and proper  
31 identification from the consumer.

1           **Sec. 45.48.120. Confirmation of security freeze.** (a) Within 10 business days  
 2 after a consumer makes the request under AS 45.48.110, a consumer credit reporting  
 3 agency shall send a written confirmation of the placement of the security freeze to the  
 4 consumer. The confirmation must also inform the consumer that the consumer credit  
 5 reporting agency may charge, as allowed by AS 45.48.160(b), a fee for third-party  
 6 access during the security freeze.

7           (b) At the same time that the consumer credit reporting agency sends a  
 8 confirmation under (a) of this section, the consumer credit reporting agency shall  
 9 provide the consumer with a unique personal identification number, password, or  
 10 similar device to be used by the consumer when the consumer authorizes the release of  
 11 the consumer's credit report or credit score under AS 45.48.130.

12           **Sec. 45.48.130. Access and actions during security freeze.** (a) While a  
 13 security freeze is in place, a consumer credit reporting agency shall allow a third party  
 14 access to a consumer's credit report or credit score if the consumer requests that the  
 15 consumer credit reporting agency allow the access.

16           (b) To make a request under (a) of this section, the consumer shall contact the  
 17 consumer credit reporting agency by mail at the address designated by the consumer  
 18 credit reporting agency to receive security freeze requests or as allowed by (c) of this  
 19 section, authorize the consumer credit reporting agency to allow the access, and  
 20 provide the consumer credit reporting agency with

21                   (1) proper identification to verify the consumer's identity;

22                   (2) the unique personal identification number, password, or similar  
 23 device provided under AS 45.48.120(b); and

24                   (3) the proper information necessary to identify the third party to  
 25 whom the consumer credit reporting agency may allow the access or the time period  
 26 during which the consumer credit reporting agency may allow the access to third  
 27 parties who request the access.

28           (c) In addition to making the request by mail, a consumer may make a request  
 29 under (a) of this section by telephone or by fax, the Internet, or other electronic media  
 30 if the consumer credit reporting agency has developed procedures for using the  
 31 telephone or an electronic medium to receive and process the request in an expedited

1 manner.

2 (d) A consumer credit reporting agency that receives a request from a  
3 consumer under (b) or (c) of this section shall comply with the request immediately  
4 after receiving the request by telephone or by an electronic medium or within three  
5 business days after receiving the request by mail.

6 (e) If a security freeze is in place, a consumer credit reporting agency may not  
7 release the credit report or credit score to a third party without the prior express  
8 authorization of the consumer.

9 (f) If a security freeze is in place on a consumer's credit report and credit score  
10 and if a third party applies to a consumer credit reporting agency to provide the third  
11 party with access to the consumer's credit report or credit score, the consumer credit  
12 reporting agency and, except as provided for insurers under (g) of this section, the  
13 third party may treat the third party's application as incomplete unless the consumer  
14 authorizes the access under (a) of this section.

15 (g) If an insurer requests access to a consumer's credit report and credit score  
16 on which a security freeze is in place, unless the consumer authorizes access under (a)  
17 of this section, the insurer may, notwithstanding AS 21.36.460,

18 (1) treat the consumer's application as incomplete;

19 (2) decline the consumer's application if the consumer does not lift the  
20 security freeze for the insurer after a request by the insurer or the insurer's agent;

21 (3) treat the consumer as if the consumer has a neutral credit rating;

22 (4) exclude the use of credit information as a factor and use only  
23 underwriting criteria; or

24 (5) treat the consumer in a manner that is otherwise approved by the  
25 division of insurance.

26 (h) If a security freeze is in place, a consumer credit reporting agency may not  
27 change the consumer's official information in the consumer's credit report and credit  
28 score without sending a written statement of the change to the consumer within 30  
29 days after the change is made. A consumer credit reporting agency is not required to  
30 send a written statement if the consumer credit reporting agency makes a technical  
31 change in the consumer's official information. If a consumer credit reporting agency

1 makes a change, other than a technical change, in a consumer's address, the consumer  
 2 credit reporting agency shall send the written statement to the consumer at both the  
 3 new address and the former address. In this subsection,

4 (1) "official information" means name, birth date, social security  
 5 number, and address;

6 (2) "technical change" means changing spelling, transposing numbers  
 7 or letters, abbreviating a word, or spelling out an abbreviation.

8 (i) This section is not intended to prevent a consumer  
 9 credit reporting agency from advising a third party that requests access  
 10 to a consumer's credit report or credit score that a security freeze is in  
 11 effect.

12 (j) The procedures used by a consumer credit reporting agency for  
 13 implementing the provisions of this section may include the use of telephone,  
 14 facsimile, or electronic means if making the disclosure by the electronic means is  
 15 consistent with the provisions regarding electronic records and signatures required for  
 16 notices legally required to be in writing under 15 U.S.C. 7001 et seq. (Electronic  
 17 Signatures in Global and National Commerce Act).

18 **Sec. 45.48.140. Removal of security freeze.** (a) Except as provided by  
 19 AS 45.48.130, a consumer credit reporting agency may not remove a security freeze  
 20 unless

21 (1) the consumer requests that the consumer credit reporting agency  
 22 remove the security freeze under (b) of this section; or

23 (2) the consumer made a material misrepresentation of fact to the  
 24 consumer credit reporting agency when the consumer requested the security freeze  
 25 under AS 45.48.110; if a consumer credit reporting agency intends to remove a  
 26 security freeze on a consumer's credit report under this paragraph, the consumer credit  
 27 reporting agency shall notify the consumer in writing before removing the security  
 28 freeze.

29 (b) A consumer credit reporting agency shall remove a security freeze  
 30 immediately after receiving a request for removal from the consumer who requested  
 31 the security freeze.

1 (c) To make a request under (b) of this section, the consumer shall contact the  
 2 consumer credit reporting agency by certified mail or as allowed by (d) of this section,  
 3 authorize the consumer credit reporting agency to remove the security freeze, and  
 4 provide the consumer credit reporting agency with

5 (1) proper identification to verify the consumer's identity; and

6 (2) the unique personal identification number, password, or similar  
 7 device provided under AS 45.48.120(b).

8 (d) In addition to certified mail, a consumer may make a request under (b) of  
 9 this section by telephone or by fax, the Internet, or other electronic media if the  
 10 consumer credit reporting agency has developed procedures for using the telephone or  
 11 an electronic medium to receive and process the request in an expedited manner.

12 **Sec. 45.48.150. Prohibition.** When dealing with a third party, a consumer  
 13 credit reporting agency may not suggest, state, or imply that a consumer's security  
 14 freeze reflects a negative credit score, history, report, or rating.

15 **Sec. 45.48.160. Charges.** (a) Except as provided by (b) or (c) of this section, a  
 16 consumer credit reporting agency may not charge a consumer to place or remove a  
 17 security freeze, to provide access under AS 45.48.130, or to take any other action,  
 18 including the issuance of a personal identification number, password, or similar device  
 19 under AS 45.48.120, that is related to the placement of, removal of, or allowing access  
 20 to a credit report or credit score on which a security freeze has been placed.

21 (b) If a consumer makes more than two access requests during a calendar year,  
 22 a consumer credit reporting agency may charge the consumer \$2 for each additional  
 23 access request made by the consumer during that calendar year. In this subsection,  
 24 "access request" means a request made by the consumer under AS 45.48.130 to allow  
 25 third-party access to the consumer's credit report or credit score on which a security  
 26 freeze has been placed.

27 (c) If a consumer fails to retain a personal identification number, password, or  
 28 similar device issued under AS 45.48.120, a consumer credit reporting agency may  
 29 charge the consumer up to \$5 for each time after the first time that the consumer credit  
 30 reporting agency issues the consumer another personal identification number,  
 31 password, or similar device because the consumer failed to retain the personal

1 identification number, password, or similar device.

2 **Sec. 45.48.170. Notice of rights.** When a consumer credit reporting agency is  
3 required to give a consumer a summary of rights under 15 U.S.C. 1681g (Fair Credit  
4 Reporting Act), a consumer credit reporting agency shall also give the consumer the  
5 following notice:

6 **Consumers Have the Right to Obtain a Security Freeze**

7 You may obtain a security freeze on your credit report and  
8 credit score at no charge to protect your privacy and ensure that credit  
9 is not granted in your name without your knowledge. You have a right  
10 to place a "security freeze" on your credit report and credit score under  
11 state law (AS 45.48.100 - 45.48.290).

12 The security freeze will prohibit a consumer credit reporting  
13 agency from releasing your credit score and any information in your  
14 credit report without your express authorization or approval.

15 The security freeze is designed to prevent credit, loans, and  
16 other services from being approved in your name without your consent.  
17 However, you should be aware that using a security freeze to take  
18 control over who gets access to the personal and financial information  
19 in your credit report and credit score may delay, interfere with, or  
20 prohibit the timely approval of any subsequent request or application  
21 you make regarding a new loan, credit, a mortgage, a governmental  
22 service, a governmental payment, rental housing, employment, an  
23 investment, a license, a cellular telephone, a utility, a digital signature,  
24 an Internet credit card transaction, an extension of credit at point of  
25 sale, and other items and services.

26 When you place a security freeze on your credit report and  
27 credit score, within 10 business days you will be provided a personal  
28 identification number, password, or similar device to use if you choose  
29 to remove the freeze on your credit report and credit score or to  
30 temporarily authorize the release of your credit report and credit score  
31 to a specific third party or specific third parties or for a specific period

1 of time after the freeze is in place. To provide that authorization, you  
2 must contact the consumer credit reporting agency and provide all of  
3 the following:

- 4 (1) proper identification to verify your identity;
- 5 (2) the personal identification number, password, or  
6 similar device provided by the consumer credit reporting agency;
- 7 (3) proper information necessary to identify the third  
8 party or third parties who are authorized to receive the credit report and  
9 credit score or the specific period of time for which the credit report  
10 and credit score are to be available to third parties.

11 A consumer credit reporting agency that receives your request  
12 to temporarily lift a freeze on a credit report and credit score is required  
13 to comply with the request immediately after receiving your request if  
14 you make the request by telephone, or an electronic method if the  
15 agency provides an electronic method, or within three business days  
16 after receiving your request if you make the request by mail.

17 A security freeze does not apply to circumstances where you  
18 have an existing account relationship and a copy of your credit report  
19 and credit score are requested by your existing creditor or its agents or  
20 affiliates for certain types of account review, collection, fraud control,  
21 or similar activities.

22 If you are actively seeking credit, you should understand that  
23 the procedures involved in lifting a security freeze may slow your own  
24 applications for credit. You should plan ahead and lift a freeze, either  
25 completely if you are shopping around, or specifically for a certain  
26 creditor, days before applying for new credit.

27 You have a right to bring a civil action against someone who  
28 violates your rights under these laws on security freezes. The action can  
29 be brought against a consumer credit reporting agency.

30 **Sec. 45.48.180. Notification after violation.** If a consumer credit reporting  
31 agency violates a security freeze by releasing a consumer's credit report or credit

1 score, the consumer credit reporting agency shall notify the consumer within five  
 2 business days after the release, and the information in the notice must include an  
 3 identification of the information released and of the third party who received the  
 4 information.

5 **Sec. 45.48.190. Resellers.** A consumer credit reporting agency that acts as a  
 6 reseller of consumer information shall honor a security freeze placed on a consumer's  
 7 credit report and credit score by another consumer credit reporting agency.

8 **Sec. 45.48.200. Violations and penalties.** (a) A consumer who suffers  
 9 damages as a result of a person's violation of AS 45.48.100 - 45.48.290 may bring an  
 10 action in court against the person and recover, in the case of a violation where the  
 11 person acted

12 (1) negligently, actual damages, including loss of wages, and, when  
 13 applicable, damages for pain and suffering;

14 (2) knowingly,

15 (A) damages as described in (1) of this subsection;

16 (B) punitive damages that are not less than \$100 nor more than  
 17 \$5,000 for each violation as the court determines to be appropriate; and

18 (C) other relief that the court determines to be appropriate.

19 (b) A consumer may bring an action in court against a person for a violation or  
 20 threatened violation of AS 45.48.100 - 45.48.290 for injunctive relief, whether or  
 21 not the consumer seeks another remedy under this section.

22 (c) Notwithstanding (a)(2) of this section, a person who knowingly violates  
 23 AS 45.48.100 - 45.48.290 is liable in a class action for an amount that the court  
 24 allows. When determining the amount of an award in a class action under this  
 25 subsection, the court shall consider, among the relevant factors, the amount of any  
 26 actual damages awarded, the frequency of the violations, the resources of the violator,  
 27 and the number of consumers adversely affected.

28 (d) In this section, "knowingly" has the meaning given in AS 11.81.900.

29 **Sec. 45.48.210. Exemptions.** (a) The provisions of AS 45.48.100 - 45.48.290  
 30 do not apply to the use of a credit report by

31 (1) a person, the person's subsidiary, affiliate, or agent, or the person's

1 assignee with whom a consumer has or, before the assignment, had an account,  
 2 contract, or debtor-creditor relationship if the purpose of the use is to review the  
 3 consumer's account or to collect a financial obligation owing on the account, contract,  
 4 or debt;

5 (2) a subsidiary, an affiliate, an agent, an assignee, or a prospective  
 6 assignee of a person to whom access has been granted under AS 45.48.130 if the  
 7 purpose of the use is to facilitate the extension of credit or another permissible use;

8 (3) a person acting under a court order, warrant, or subpoena;

9 (4) an agency of a state or municipality that administers a program for  
 10 establishing and enforcing child support obligations;

11 (5) the Department of Health and Social Services, its agents, or its  
 12 assigns when investigating fraud;

13 (6) the Department of Revenue, its agents, or its assigns when  
 14 investigating or collecting delinquent taxes or unpaid court orders or when  
 15 implementing its other statutory responsibilities;

16 (7) a person if the purpose of the use is prescreening allowed under 15  
 17 U.S.C. 1681b(c) (Fair Credit Reporting Act);

18 (8) a person administering a credit file monitoring subscription service  
 19 to which the consumer has subscribed; or

20 (9) a person providing a consumer with a copy of the consumer's credit  
 21 report or credit score at the consumer's request; or

22 (10) a consumer credit reporting agency if the data base or file of the  
 23 consumer credit reporting agency consists entirely of information concerning and used  
 24 solely for one or more of the following purposes:

25 (A) criminal record information;

26 (B) personal loss history information;

27 (C) fraud prevention or detection;

28 (D) tenant screening; or

29 (E) employment screening.

30 (b) Except as provided by AS 45.48.190, the provisions of AS 45.48.100 -  
 31 45.48.290 do not apply to a person who acts only as a reseller of consumer

1 information.

2 **Sec. 45.48.290. Definitions.** In AS 45.48.100 - 45.48.290,

3 (1) "account review" means activities related to account maintenance,  
4 account monitoring, credit line increases, and account upgrades and enhancements;

5 (2) "consumer" means an individual who is the subject of a credit  
6 report or credit score;

7 (3) "consumer credit reporting agency" has the meaning given in  
8 AS 45.48.990, but does not include a person who issues reports

9 (A) on incidents of fraud or authorizations for the purpose of  
10 approving or processing negotiable instruments, electronic funds transfers, or  
11 similar methods of payments; or

12 (B) regarding account closures because of fraud, substantial  
13 overdrafts, automated teller machine abuse, or similar negative information  
14 regarding a consumer to inquiring banks or other financial institutions for use  
15 only in reviewing consumer requests for deposit accounts at the inquiring  
16 banks or financial institutions;

17 (4) "reseller of consumer information" means a person who assembles  
18 and merges information contained in the data bases of consumer credit reporting  
19 agencies and does not maintain a permanent data base of consumer information from  
20 which new consumer credit reports are produced;

21 (5) "security freeze" means a prohibition against a consumer credit  
22 reporting agency from releasing all or a part of a consumer's credit report or credit  
23 score without the express authorization of the consumer;

24 (6) "third party" means a person who is not

25 (A) the consumer who is the subject of the consumer's credit  
26 report or credit score; or

27 (B) the consumer credit reporting agency that is holding the  
28 consumer's credit report or credit score.

29 **Article 3. Consumer Credit Monitoring; Credit Accuracy.**

30 **Sec. 45.48.300. Required disclosure.** A consumer credit reporting agency  
31 shall, if a consumer makes the request and the request is not covered by the free

1 disclosure provision of 15 U.S.C. 1681j(a) - (d) (Fair Credit Reporting Act), clearly  
 2 and accurately disclose to the consumer the information described under  
 3 AS 45.48.310.

4 **Sec. 45.48.310. Information to be disclosed.** (a) The following information  
 5 must be disclosed under AS 45.48.300:

6 (1) all information in the consumer's file when the consumer makes the  
 7 request, except that this paragraph may not be construed to require a consumer credit  
 8 reporting agency to disclose information concerning credit scores, risk scores, or other  
 9 predictors that are governed by 15 U.S.C. 1681g;

10 (2) the sources of the information described in (1) of this subsection;

11 (3) an identification of each person, including each end user identified  
 12 under 15 U.S.C. 1681e, who procured a report on the consumer

13 (A) for employment purposes during the two-year period that  
 14 precedes the date when the consumer's request is made; or

15 (B) for a purpose other than employment purposes during the  
 16 one-year period that precedes the date when the consumer's request is made;

17 (4) the dates, original payees, and amounts of any checks that

18 (A) provide the basis for an adverse characterization of the  
 19 consumer; and

20 (B) are included in the file when the disclosure is made or can  
 21 be inferred from the file;

22 (5) a record of all inquiries that were received by the consumer credit  
 23 reporting agency during the one-year period that precedes the request and that identify  
 24 the consumer in connection with a credit or insurance transaction that was not initiated  
 25 by the consumer; and

26 (6) a statement that the consumer may request and obtain a credit score  
 27 if the consumer requests the credit file and not the credit score.

28 (b) The information to be disclosed under (a)(3) of this section must include

29 (1) the name of the person or, if applicable, the full trade name under  
 30 which the person conducts business; and

31 (2) the address and telephone number of the person if requested by the

1 consumer.

2 (c) A consumer credit reporting agency is not required to disclose the  
3 information described in (a)(3) of this section if

4 (1) the end user is an agency of the United States government and  
5 procures the consumer's credit report from the consumer credit reporting agency to  
6 determine the eligibility of the consumer to receive access or continued access to  
7 classified information; in this paragraph, "classified information" has the meaning  
8 given in 15 U.S.C. 1681b; and

9 (2) the individual who is in charge of the end user makes a written  
10 finding as prescribed under 15 U.S.C. 1681b(b)(4)(A).

11 **Sec. 45.48.320. Cost of disclosure.** (a) A consumer credit reporting agency  
12 may impose a reasonable charge on a consumer for making a disclosure under  
13 AS 45.48.300. The charge may not exceed

14 (1) \$2 for each of the first 12 requests from the consumer in a calendar  
15 year;

16 (2) \$8 for each request beyond the 12 requests covered by (1) of this  
17 subsection in a calendar year.

18 (b) The consumer credit reporting agency shall disclose the charge to the  
19 consumer before making the disclosure under AS 45.48.300.

20 **Sec. 45.48.330. Form of disclosure.** (a) A consumer may make a request  
21 under AS 45.48.300 in writing, in person, by telephone if the consumer has made a  
22 written request for the disclosure, by electronic means if the consumer credit reporting  
23 agency offers electronic access for any other purpose, or by any other reasonable  
24 means that is available from the consumer credit reporting agency.

25 (b) To make a request in person under (a) of this section, the consumer shall,  
26 after reasonable notice to the consumer credit reporting agency, appear during normal  
27 business hours at the consumer credit reporting agency's place of business where the  
28 consumer credit reporting agency normally provides disclosures under AS 45.48.300.

29 **Sec. 45.48.340. Timing of disclosure.** A consumer credit reporting agency  
30 shall provide a consumer with the disclosure under AS 45.48.300 within

31 (1) 24 hours after the date on which the request is made if the

1 disclosure is made by electronic means under AS 45.48.330(a); or

2 (2) five days after the date on which the request is made if the  
3 disclosure is made in writing, in person, by telephone, or by any other reasonable  
4 means that is available from the consumer credit reporting agency, except by  
5 electronic means.

6 **Sec. 45.48.350. Credit accuracy.** (a) A person who does business in the state  
7 by distributing information about an individual's credit history, score, or ranking shall,  
8 when notified that the information that the person is distributing is inaccurate,  
9 immediately stop distributing the information until the accuracy of the information can  
10 be verified or the inaccuracies in the information corrected.

11 (b) If a person who does business in the state by distributing information about  
12 an individual's credit history, score, or ranking releases information about an  
13 individual that is inaccurate, the person shall, as quickly as possible after discovering  
14 that inaccurate information is being distributed,

15 (1) repair, to the extent possible, the damage to the individual caused  
16 by the release of the inaccurate information; and

17 (2) pay fair and reasonable compensation to the individual for the  
18 damage caused to the individual by the release of the inaccurate information.

19 (c) If a person fails to comply with (b) of this section, an individual may bring  
20 an action in court to compel the person to comply with (b) of this section.

21 (d) In this section, "does business in the state" means engages in activities that  
22 provide at least the minimum contacts required by substantive due process for the state  
23 to exercise jurisdiction over the person who is engaging in the activities.

24 **Article 4. Protection of Social Security Number.**

25 **Sec. 45.48.400. Use of social security number.** A person may not

26 (1) intentionally communicate or otherwise make available to the  
27 general public an individual's social security number;

28 (2) print an individual's social security number on a card required for  
29 the individual to access products or services provided by the person;

30 (3) require an individual to transmit the individual's social security  
31 number over the Internet unless the Internet connection is secure or the social security

1 number is encrypted;

2 (4) require an individual to use the individual's social security number  
3 to access an Internet site unless a password, a unique personal identification number,  
4 or another authentication device is also required to access the site; or

5 (5) print an individual's social security number on material that is  
6 mailed to the individual unless

7 (A) local, state, or federal law, including a regulation adopted  
8 under AS 45.48.470, expressly authorizes placement of the social security  
9 number on the material; or

10 (B) the social security number is included on an application or  
11 other form, including a document sent as a part of an application process or an  
12 enrollment process, sent by mail to establish, amend, or terminate an account, a  
13 contract, or a policy, or to confirm the accuracy of the social security number;  
14 however, a social security number allowed to be mailed under this  
15 subparagraph may not be printed, in whole or in part, on a postcard or other  
16 mailer that does not require an envelope, or in a manner that makes the social  
17 security number visible on the envelope or without the envelope's being  
18 opened.

19 **Sec. 45.48.410. Request and collection.** (a) A person who does business in the  
20 state, including the business of government, may not request or collect an individual's  
21 social security number. This subsection does not prohibit a person from asking for  
22 another form of identification from the individual.

23 (b) The prohibition in (a) of this section does not apply

24 (1) if the person is expressly authorized by local, state, or federal law,  
25 including a regulation adopted under AS 45.48.470, to demand proof of the  
26 individual's social security number, to collect the individual's social security number,  
27 or to submit the individual's social security number to the local, state, or federal  
28 government;

29 (2) to a financial institution that is regulated by 15 U.S.C. 6801 - 6827  
30 (Gramm-Leach-Bliley Financial Modernization Act) if the financial institution  
31 requests or collects the individual's social security number to facilitate a transaction of

1 the individual;

2 (3) to a communication to or from a consumer reporting agency; in this  
3 paragraph, "consumer reporting agency" has the meaning given in 15 U.S.C. 1681a  
4 (Fair Credit Reporting Act); or

5 (4) if the request or collection is for a background check on the  
6 individual, law enforcement purposes, or the individual's employment, including  
7 employment benefits.

8 **Sec. 45.48.420. Sale, lease, loan, trade, or rental.** (a) A person may not sell,  
9 lease, loan, trade, or rent an individual's social security number to a third party.

10 (b) The prohibition in (a) of this section does not apply if the sale, lease, loan,  
11 trade, or rental is

12 (1) expressly authorized by local, state, or federal law, including a  
13 regulation adopted under AS 45.48.470;

14 (2) part of a report prepared by a consumer credit reporting agency in  
15 response to a request by a person and the person submits the social security number as  
16 part of the request to the consumer credit reporting agency for the preparation of the  
17 report.

18 **Sec. 45.48.430. Disclosure.** (a) A person doing business, including the  
19 business of government, may not disclose an individual's social security number to a  
20 third party.

21 (b) The prohibition in (a) of this section does not apply if

22 (1) the disclosure is expressly authorized by local, state, or federal law,  
23 including a regulation adopted under AS 45.48.470;

24 (2) the third party is a financial institution that is regulated by 15  
25 U.S.C. 6801 - 6827 (Gramm-Leach-Bliley Financial Modernization Act), and the  
26 disclosure is to facilitate a transaction of the individual;

27 (3) the disclosure is part of a report prepared by a consumer credit  
28 reporting agency in response to a request by a person and the person submits the social  
29 security number as part of the request to the consumer credit reporting agency for the  
30 preparation of the report; or

31 (4) the disclosure is for a background check on the individual, law

1 enforcement purposes, or the individual's employment, including employment  
2 benefits.

3 **Sec. 45.48.440. Interagency disclosure.** Notwithstanding the other provisions  
4 of AS 45.48.400 - 45.48.480, a state or local governmental agency may disclose an  
5 individual's social security number to another state or local governmental agency or to  
6 an agency of the federal government if the disclosure is required in order for the  
7 agency to carry out the agency's duties and responsibilities.

8 **Sec. 45.48.450. Exception for employees, agents, and independent**  
9 **contractors.** (a) Notwithstanding the other provisions of AS 45.48.400 - 45.48.480, a  
10 person may disclose an individual's social security number to an employee or agent of  
11 the person for a legitimate purpose established by and as directed by the person, but  
12 the employee or agent may not use the social security number for another purpose or  
13 make an unauthorized disclosure of the individual's personal information.

14 (b) Notwithstanding the other provisions of AS 45.48.400 - 45.48.480, and  
15 except as provided for an agent under (a) of this section, a person may disclose an  
16 individual's social security number to an independent contractor of the person to  
17 facilitate the purpose or transaction for which the individual initially provided the  
18 social security number to the person, but the independent contractor may not use the  
19 social security number for another purpose or make an unauthorized disclosure of the  
20 individual's personal information.

21 **Sec. 45.48.460. Employment-related exception.** The provisions of  
22 AS 45.48.400 - 45.48.480 may not be construed to restrict a person's use or exchange  
23 of an individual's social security number

24 (1) in the course of the administration of a claim, benefit, or procedure  
25 related to the individual's employment by the person, including the individual's  
26 termination from employment, retirement from employment, and injury suffered  
27 during the course of employment; or

28 (2) to check on an unemployment insurance claim of the individual.

29 **Sec. 45.48.470. Agency regulations.** If regulations are necessary in order for a  
30 state agency to carry out the state agency's duties and responsibilities, a state agency  
31 may adopt regulations under AS 44.62 (Administrative Procedure Act) to establish

1 when the state agency or a person regulated by the state agency may

2 (1) print an individual's social security number on material that is  
3 mailed to the individual;

4 (2) demand proof from an individual of the individual's social security  
5 number, collect from an individual the individual's social security number, or submit  
6 an individual's social security number to a local, state, or federal agency;

7 (3) ask an individual to provide the state agency with the individual's  
8 social security number;

9 (4) disclose an individual's social security number to a third party;

10 (5) sell, lease, loan, trade, or rent an individual's social security number  
11 to a third party.

12 **Sec. 45.48.480. Penalties.** (a) A person who knowingly violates AS 45.48.400  
13 - 45.48.430 is liable to the state for a civil penalty not to exceed \$3,000.

14 (b) An individual may bring a civil action in court against a person who  
15 knowingly violates AS 45.48.400 - 45.48.430 and may recover actual damages or  
16 \$5,000, whichever amount is greater, and court costs and attorney fees allowed by the  
17 rules of court.

18 (c) A person who knowingly violates AS 45.48.400 - 45.48.430 is guilty of a  
19 class A misdemeanor.

20 (d) In this section, "knowingly" has the meaning given in AS 11.81.900.

#### 21 **Article 5. Disposal of Records.**

22 **Sec. 45.48.500. Disposal of records.** (a) When disposing of records that  
23 contain personal information, a business and a governmental agency shall take all  
24 reasonable measures necessary to protect against unauthorized access to or use of the  
25 records.

26 (b) Notwithstanding (a) of this section, if a business or governmental agency  
27 has otherwise complied with the provisions of AS 45.48.500 - 45.48.590 in the  
28 selection of a third party engaged in the business of record destruction, the business or  
29 governmental agency is not liable for the disposal of records under AS 45.48.500 -  
30 45.48.590 after the business or governmental agency has relinquished control of the  
31 records to the third party for the destruction of the records.

1 (c) A business or governmental agency is not liable for the disposal of records  
2 under AS 45.48.500 - 45.48.590 after the business or governmental agency has  
3 relinquished control of the records to the individual to whom the records pertain.

4 **Sec. 45.48.510. Measures to protect access.** The measures that may be taken  
5 to comply with AS 45.48.500 include

6 (1) implementing and monitoring compliance with policies and  
7 procedures that require the burning, pulverizing, or shredding of paper documents  
8 containing personal information so that the personal information cannot practicably be  
9 read or reconstructed;

10 (2) implementing and monitoring compliance with policies and  
11 procedures that require the destruction or erasure of electronic media and other  
12 nonpaper media containing personal information so that the personal information  
13 cannot practicably be read or reconstructed;

14 (3) after due diligence, entering into a written contract with a third  
15 party engaged in the business of record destruction to dispose of records containing  
16 personal information in a manner consistent with AS 45.48.500 - 45.48.590.

17 **Sec. 45.48.520. Due diligence.** In AS 45.48.510(3), due diligence ordinarily  
18 includes performing one or more of the following:

19 (1) reviewing an independent audit of the third party's operations and  
20 its compliance with AS 45.48.500 - 45.48.590;

21 (2) obtaining information about the third party from several references  
22 or other reliable sources and requiring that the third party be certified by a recognized  
23 trade association or similar organization with a reputation for high standards of quality  
24 review; or

25 (3) reviewing and evaluating the third party's information security  
26 policies and procedures, or taking other appropriate measures to determine the  
27 competency and integrity of the third party.

28 **Sec. 45.48.530. Policy and procedures.** A business or governmental agency  
29 shall adopt written policies and procedures that relate to the adequate destruction and  
30 proper disposal of records containing personal information and that are consistent with  
31 AS 45.48.500 - 45.48.590.

1           **Sec. 45.48.540. Exemptions.** (a) A business or a governmental agency is not  
 2 required to comply with AS 45.48.500 - 45.48.530 if federal law requires that the  
 3 business or governmental agency act in a way that does not comply with AS 45.48.500  
 4 - 45.48.530.

5           (b) A business is not required to comply with AS 45.48.500 - 45.48.530 if

6                   (1) the business is subject to and in compliance with 15 U.S.C. 6801 -  
 7 6827 (Gramm-Leach-Bliley Financial Modernization Act); or

8                   (2) the manner of the disposal of the records of the business is subject  
 9 to 15 U.S.C. 1681w (Fair Credit Reporting Act) and the business is complying with 15  
 10 U.S.C. 1861w.

11           **Sec. 45.48.550. Civil penalty.** (a) An individual, a business, or a governmental  
 12 agency that knowingly violates AS 45.48.500 - 45.48.590 is liable to the state for a  
 13 civil penalty not to exceed \$3,000.

14           (b) In this section, "knowingly" has the meaning given in AS 11.81.900.

15           **Sec. 45.48.560. Court action.** An individual who is damaged by a violation of  
 16 AS 45.48.500 - 45.48.590 may bring a civil action in court to enjoin further violations  
 17 and to recover damages for the violation and court costs and attorney fees allowed by  
 18 the rules of court.

19           **Sec. 45.48.590. Definitions.** In AS 45.48.500 - 45.48.590,

20                   (1) "business" means a person who conducts business in the state or a  
 21 person who conducts business and maintains or otherwise possesses personal  
 22 information on state residents; in this paragraph,

23                           (A) "conducts business" includes engaging in activities as a  
 24 financial institution organized, chartered, or holding a license or authorization  
 25 certificate under the laws of this state, another state, the United States, or  
 26 another country;

27                           (B) "possesses" includes possession for the purpose of  
 28 destruction;

29                   (2) "dispose" means

30                           (A) the discarding or abandonment of records containing  
 31 personal information;

1 (B) the sale, donation, discarding, or transfer of

2 (i) any medium, including computer equipment or  
3 computer media, that contains records of personal information;

4 (ii) nonpaper media, other than that identified under (i)  
5 of this subparagraph, on which records of personal information are  
6 stored; and

7 (iii) equipment for nonpaper storage of information;

8 (3) "governmental agency" means a state or local governmental  
9 agency, except for an agency of the judicial branch;

10 (4) "personal information" means information that identifies, relates to,  
11 describes, or is capable of being associated with a particular individual, and includes a  
12 name, signature, social security number, fingerprint, photograph, computerized image,  
13 physical characteristic, physical description, address, telephone number, passport  
14 number, driver's license, state identification number, date of birth, medical  
15 information, bank account number, credit card number, debit card number, and  
16 financial information;

17 (5) "records" means material on which information that is written,  
18 drawn, spoken, visual, or electromagnetic is recorded or preserved, regardless of  
19 physical form or characteristics, but does not include publicly available information  
20 containing names, addresses, telephone numbers, or other information an individual  
21 has voluntarily consented to have publicly disseminated or listed.

22 **Article 6. Factual Declaration of Innocence after Identity Theft; Right to File Police**  
23 **Report Regarding Identity Theft.**

24 **Sec. 45.48.600. Factual declaration of innocence after identity theft.** (a) A  
25 victim of identity theft may petition the superior court for a determination that the  
26 victim is factually innocent of a crime if

27 (1) the perpetrator of the identity theft was arrested for, cited for, or  
28 convicted of the crime using the victim's identity;

29 (2) a criminal complaint was filed against the perpetrator of the  
30 identity theft;

31 (3) the victim's identity was mistakenly associated with a record of a

1 conviction for a crime.

2 (b) In addition to a petition by a victim under (a) of this section, the  
3 department may petition the superior court for a determination under (a) of this  
4 section, or the superior court may, on its own motion, make a determination under (a)  
5 of this section.

6 **Sec. 45.48.610. Basis for determination.** A determination of factual  
7 innocence under AS 45.48.600 may be heard and made on declarations, affidavits,  
8 police reports, or other material, relevant, and reliable information submitted by the  
9 parties or ordered to be made a part of the record by the court.

10 **Sec. 45.48.620. Criteria for determination; court order.** (a) A court shall  
11 determine that a victim is factually innocent of a crime if the court finds that the  
12 petition or motion brought under AS 45.48.600 is meritorious and that

13 (1) there is not a reasonable cause to believe that the victim of the  
14 identity theft committed the crime for which the perpetrator of the identity theft was  
15 arrested, cited, or convicted, or was subject to a criminal complaint in the victim's  
16 name; or

17 (2) the victim's identity was mistakenly associated with a record of a  
18 conviction of a crime.

19 (b) If a court finds under this section that the victim is factually innocent of a  
20 crime, the court shall issue an order indicating this determination of factual innocence  
21 and shall provide the victim with a copy of the order.

22 **Sec. 45.48.630. Orders regarding records.** After a court issues an order under  
23 AS 45.48.620, the court may order the name and associated personal information of  
24 the victim of identity theft that is contained in the files, indexes, and other records of  
25 the court that are accessible by the public deleted, sealed, or labeled to show that the  
26 name and personal information of the victim of identity theft is incorrect.

27 **Sec. 45.48.640. Vacation of determination.** A court that has issued an order  
28 under AS 45.48.620 may, at any time, vacate the order if the petition, or any  
29 information submitted in support of the petition, is found to contain a material  
30 misrepresentation or fraudulent material.

31 **Sec. 45.48.650. Court form.** The supreme court of the state may develop a

1 form to be used for the order under AS 45.48.620.

2 **Sec. 45.48.660. Data base.** The department may establish and maintain a data  
3 base of individuals who have been victims of identity theft and who have received an  
4 order under AS 45.48.620. The department shall provide a victim or the victim's  
5 authorized representative access to a data base established under this section to  
6 establish that the individual has been a victim of identity theft. Access to the a data  
7 base established under this section is limited to criminal justice agencies, victims of  
8 identity theft, and individuals and agencies authorized by the victims.

9 **Sec. 45.48.670. Toll-free telephone number.** The department may establish  
10 and maintain a toll-free telephone number to provide access to information in a data  
11 base established under AS 45.48.660.

12 **Sec. 45.48.680. Right to file police report regarding identity theft.** (a) Even  
13 if the local law enforcement agency does not have jurisdiction over the theft of an  
14 individual's identity, if an individual who has learned or reasonably suspects the  
15 individual has been the victim of identity theft contacts, for the purpose of filing a  
16 complaint, a local law enforcement agency that has jurisdiction over the individual's  
17 actual place of residence, the local law enforcement agency shall make a report of the  
18 matter and provide the individual with a copy of the report. The local law enforcement  
19 agency may refer the matter to a law enforcement agency in a different jurisdiction.

20 (b) This section is not intended to interfere with the discretion of a local law  
21 enforcement agency to allocate its resources to the investigation of crime. A local law  
22 enforcement agency is not required to count a complaint filed under (a) of this section  
23 as an open case for purposes that include compiling statistics on its open cases.

24 **Sec. 45.48.690. Definitions.** In AS 45.48.600 - 45.48.690,

- 25 (1) "crime" has the meaning given in AS 11.81.900;
- 26 (2) "department" means the Department of Law;
- 27 (3) "identity theft" means the theft of the identity of an individual;
- 28 (4) "perpetrator" means the person who perpetrated the theft of an  
29 individual's identity;
- 30 (5) "victim" means an individual who is the victim of identity theft.

31 **Article 7. Consumer Credit Header Information.**

1           **Sec. 45.48.700. Consumer credit header information.** (a) A consumer credit  
2 reporting agency may not furnish by a written, an oral, or another method of  
3 communication a consumer's credit header information to a person unless

4                   (1) the person has a permissible purpose under 15 U.S.C. 1681b (Fair  
5 Credit Reporting Act) to obtain the consumer's credit report; or

6                   (2) the disclosure is part of a report prepared by the consumer credit  
7 reporting agency in response to a request by a person and the person submits the social  
8 security number as part of the request to the consumer credit reporting agency for the  
9 preparation of the report.

10           (b) In this section, "credit header information" means the social security  
11 number of a consumer, or a derivative of the social security number, the maiden name  
12 of the mother of the consumer, the birth date of the consumer, and other personally  
13 identifiable information of a consumer that is derived from nonpublic personal  
14 information, except the name, address, and telephone number of the consumer listed in  
15 a residential telephone directory available in the locality of the consumer.

16                   **Article 8. Truncation of Card Information.**

17           **Sec. 45.48.750. Truncation of card information.** (a) A person who accepts  
18 credit cards or debit cards for the transaction of business may not print more than the  
19 last four digits of the card number or the expiration date on any receipt or other  
20 physical record of the transaction provided at the point of the sale or transaction.

21           (b) This section applies only to receipts that are electronically printed and does  
22 not apply to transactions in which the sole means of recording a credit card or debit  
23 card account number is by handwriting or by an imprint or copy of the card.

24           (c) An individual may bring a civil action in court against a person who  
25 knowingly violates this section and may recover actual damages or \$5,000, whichever  
26 is greater, and court costs and attorney fees allowed by the rules of court.

27           (d) A person who knowingly violates this section is liable to the state for a  
28 civil penalty not to exceed \$3,000.

29           (e) In this section,

30                   (1) "credit" means the right granted by a creditor to a debtor to defer  
31 payment of debt, to incur debts and defer payment of the debt, or to purchase property

1 or services and defer payment of the purchase; in this paragraph, "creditor" means a  
 2 person who regularly extends, renews, or continues credit, a person who regularly  
 3 arranges for the extension, renewal, or continuation of credit, or an assignee of an  
 4 original creditor who participates in the decision to extend, renew, or continue credit;

5 (2) "credit card" means a card, plate, coupon book, or other credit  
 6 device existing for the purpose of obtaining money, property, labor, or services on  
 7 credit;

8 (3) "debit card" means a card issued by a financial institution to a  
 9 consumer for use in initiating an electronic fund transfer from the account of the  
 10 consumer at the financial institution for the purpose of transferring money between  
 11 accounts or obtaining money, property, labor, or services;

12 (4) "knowingly" has the meaning given in AS 11.81.900.

### 13 **Article 9. General Provisions.**

14 **Sec. 45.48.990. Definitions.** In this chapter, unless the context indicates  
 15 otherwise,

16 (1) "consumer" means an individual;

17 (2) "consumer credit reporting agency" means a person who, for  
 18 monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or  
 19 in part in the practice of assembling or evaluating consumer credit information or  
 20 other information on consumers for the purpose of furnishing credit reports to third  
 21 parties;

22 (3) "credit report" means a written, oral, or other communication of  
 23 information by a consumer credit reporting agency bearing on a consumer's credit  
 24 worthiness, credit standing, credit capacity, character, general reputation, personal  
 25 characteristics, or mode of living if the communication is used or expected to be used  
 26 or collected in whole or in part to serve as a factor in establishing the consumer's  
 27 eligibility for

28 (A) credit or insurance to be used primarily for personal,  
 29 family, or household purposes;

30 (B) employment purposes; or

31 (C) any other permissible purpose authorized under section 15

1 U.S.C. 1681b;

2 (4) "information system" means any information system, including a  
3 system consisting of digital data bases and a system consisting of pieces of paper;

4 (5) "person" has the meaning given in AS 01.10.060 and includes a  
5 state or local governmental agency, except for an agency of the judicial branch;

6 (6) "state resident" means an individual who satisfies the residency  
7 requirements under AS 01.10.055.

8 **Sec. 45.48.995. Short title.** This chapter may be cited as the Alaska Personal  
9 Information Protection Act.

10 \* **Sec. 4.** AS 45.48.750 is amended by adding a new subsection to read:

11 (f) A person may not sell a device that electronically prints more than the last  
12 four digits of a credit card or debit card on a consumer receipt for a business  
13 transaction or on a copy retained by a business person for a business transaction.

14 \* **Sec. 5.** AS 45.50.471(b) is amended by adding a new paragraph to read:

15 (52) an information collector, other than a governmental agency,  
16 violating AS 45.48.010 - 45.48.090 (breach of security involving personal  
17 information); in this paragraph,

18 (A) "governmental agency" has the meaning given in  
19 AS 45.48.080;

20 (B) "information collector" has the meaning given in  
21 AS 45.48.090.

22 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
23 read:

24 **INDIRECT COURT RULE AMENDMENT.** AS 45.48.640, enacted by sec. 3 of this  
25 Act, has the effect of changing Rule 60(b), Alaska Rules of Civil Procedure, by allowing a  
26 court to vacate an order on its own motion and at any time and by establishing a specific  
27 criterion for vacating the order under AS 45.48.640.

28 \* **Sec. 7.** AS 45.48.470, enacted by sec. 3 of this Act, takes effect immediately under  
29 AS 01.10.070(c).

30 \* **Sec. 8.** AS 45.48.750(f), enacted by sec. 4 of this Act, takes effect January 1, 2009.