

1 IN THE HOUSE

BY FURNACE

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HOUSE BILL NO. 460

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to consumer reporting agencies."

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

8 * Section 1. AS 45.45 is amended by adding new sections to read:

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ARTICLE 6A. CONSUMER CREDIT REPORTS.

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Sec. 45.45.400. PROVIDING CONSUMER REPORTS. (a) A consumer

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reporting agency may not furnish a consumer report except as provided

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in this section.

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(b) A consumer reporting agency may furnish a consumer report

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(1) in response to the order of a court having jurisdiction

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to issue the order;

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(2) in accordance with the written instructions of the

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individual to whom the report relates; or

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(3) to a person who it has reason to believe intends to use

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the information

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(A) in connection with a credit transaction involving

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an individual, and involving the extension of credit to the

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individual or a review or collection of an account of the indi-

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vidual;

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(B) for employment purposes;

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(C) in connection with the underwriting of insurance

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involving an individual;

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(D) in connection with a determination of an individu-

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al's eligibility for a license or other benefit granted by a

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governmental agency that is required by law to consider the

1 individual's financial responsibility or status; or

2 (E) for a legitimate business need in connection with
3 a business transaction involving an individual.

4 Sec. 45.45.410. PROHIBITIONS. Unless the information concerns a
5 case under 11 U.S.C. (Bankruptcy), a consumer reporting agency may not

6 (1) include in a consumer report an adverse item of credit
7 information that is over three years old;

8 (2) base an unfavorable credit rating on an adverse item of
9 credit information that is over three years old.

10 Sec. 45.45.420. PENALTIES. (a) A person who wilfully fails to
11 comply with AS 45.45.410 is liable to the individual who was the
12 subject of the consumer report for actual damages, for punitive dam-
13 ages, and for costs and attorney fees as allowed by the court.

14 (b) A person who negligently fails to comply with AS 45.45.410
15 is liable to the individual who was the subject of the consumer report
16 for actual damages in addition to the costs and attorney fees allowed
17 by the court.

18 Sec. 45.45.450. DEFINITIONS. In AS 45.45.400 - 45.45.450

19 (1) "consumer report" means a written, oral, or other
20 communication of information by a consumer reporting agency that bears
21 on an individual's credit worthiness, credit standing, credit capac-
22 ity, character, general reputation, personal characteristics, or mode
23 of living and that is used or expected to be used or collected in
24 whole or in part for the purpose of serving as a factor in establish-
25 ing the individual's eligibility for employment purposes, for other
26 purposes authorized under AS 45.45.400(b), or for credit or insurance
27 to be used primarily for personal, family, or household purposes;
28 "consumer report" does not include a report containing information
29 that only covers transactions or experiences between the individual

1 and the person making the report, an authorization or approval of a
2 specific extension of credit directly or indirectly by the issuer of a
3 credit card or similar device, or a report in which a person who has
4 been requested by a third party to make a specific extension of credit
5 directly or indirectly to an individual conveys the person's decision
6 with respect to the request, if the third party advises the individual
7 of the name and address of the person;

8 (2) "consumer reporting agency" means a person who, for
9 monetary fees, dues, or on a cooperative nonprofit basis, regularly
10 engages in whole or in part in the practice of assembling or evaluat-
11 ing consumer credit information on individuals for the purpose of fur-
12 nishing consumer reports to third parties;

13 (3) "employment purpose" means the evaluation of an indi-
14 vidual for employment, promotion, reassignment or retention as an
15 employee;

16 (4) "file" means, when used in connection with information
17 on an individual, all of the information on the individual recorded
18 and retained by a consumer reporting agency regardless of how the
19 information is stored.