

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 1017

Short Title: Enhance Protections Against Identity Theft. (Public)

Sponsors: Senators Stein, Clodfelter; Davis, Dorsett, Garrou, Kinnaird, Nesbitt, and Stevens.

Referred to: Judiciary I.

March 26, 2009

A BILL TO BE ENTITLED

AN ACT TO ENHANCE PROTECTIONS AGAINST IDENTITY THEFT; AND TO PROTECT THE CREDIT OF CRIME VICTIMS DURING THE PENDENCY OF CRIME VICTIMS COMPENSATION FUND APPLICATIONS AND APPEALS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 75-63 reads as rewritten:

"§ 75-63. Security freeze.

(a) A consumer may place a security freeze on the consumer's credit report by making a request ~~in writing by certified mail to a consumer reporting agency~~ in accordance with this subsection. A security freeze shall prohibit, subject to exceptions in subsection (l) of this section, the consumer reporting agency from releasing the consumer's credit report or any information from it without the express authorization of the consumer. When a security freeze is in place, a consumer reporting agency may not release the consumer's credit report or information to a third party without prior express authorization from the consumer. This subsection does not prevent a consumer reporting agency from advising a third party that a security freeze is in effect with respect to the consumer's credit ~~report~~ report, provided that the consumer reporting agency does not state or otherwise imply to the third party that the consumer's security freeze reflects a negative credit score, history, report, or rating. A consumer reporting agency shall place a security freeze on a consumer's credit report if the consumer requests a security freeze by any of the following methods:

(1) First-class mail.

(2) Telephone call.

(3) Secure Web site or secure electronic mail connection.

(a1) Notwithstanding any other provision of law, consumer reporting agencies that assemble or evaluate information about consumers in this State shall create and maintain a shared Web site and toll-free number that a consumer can contact to request a security freeze and actions related to a security freeze. A request made via this telephone number or Web site shall be considered made to all credit reporting agencies and shall trigger all applicable provisions of this section with respect to each consumer reporting agency. A consumer reporting agency that receives a request for a security freeze from a consumer shall communicate that request to the other consumer reporting agencies within three days of receipt of the request. Once a consumer reporting agency receives such a communication from a credit reporting agency, all applicable provisions of this section shall be triggered with respect to that agency as if the agency received notice electronically.

(b) A consumer reporting agency shall place a security freeze on a consumer's credit report no later than ~~five~~ three business days after receiving a written request from the



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1 ~~consumer~~ consumer by mail. A consumer reporting agency shall place a security freeze on a
2 consumer's credit report within 15 minutes of receiving a request electronically or by telephone.

3 (c) The consumer reporting agency shall send a written confirmation of the security
4 freeze to the consumer within ~~40~~ three business days of placing the freeze and at the same time
5 shall provide the consumer with a unique personal identification number or password, other
6 than the consumer's social security number, to be used by the consumer when providing
7 authorization for the release of the consumer's credit report for a specific period of ~~time~~ time, or
8 to a specific party, or for permanently lifting the freeze.

9 (d) If the consumer wishes to allow the consumer's credit report to be accessed for a
10 specific period of time or by a specific party while a freeze is in place, the consumer shall
11 contact the consumer reporting ~~agency~~ agency by mail, phone, or electronically, request that
12 the freeze be temporarily ~~lifted~~ lifted or lifted with respect to a specific party, and provide all of
13 the following:

14 (1) Proper identification.

15 (2) The unique personal identification number or password provided by the
16 consumer reporting agency pursuant to subsection (c) of this section.

17 (3) The proper information regarding the third party who is authorized to
18 receive the consumer credit report or the time period for which the report
19 shall be available to users of the credit report.

20 (e) A consumer reporting agency ~~may~~ shall develop procedures involving the use of
21 telephone, fax, ~~the Internet, or other electronic media~~ and the Internet to receive and process a
22 request from a consumer to temporarily lift a freeze on a credit report pursuant to subsection (d)
23 of this section in an expedited ~~manner~~ manner.

24 (f) A consumer reporting agency that receives a request by mail from a consumer to
25 temporarily lift a freeze on a credit report pursuant to subsection (d) of this section shall
26 comply with the request no later than three business days after receiving the request. A
27 consumer reporting agency that receives such a request electronically or by telephone shall
28 comply with the request within 15 minutes of receiving the request.

29 (g) A consumer reporting agency shall ~~remove or temporarily lift~~ remove, temporarily
30 lift, or lift with respect to a specific third party, a freeze placed on a consumer's credit report
31 only in the following cases:

32 (1) Upon the consumer's request, pursuant to subsections (d) or (j) of this
33 section.

34 (2) If the consumer's credit report was frozen due to a material
35 misrepresentation of fact by the consumer. If a consumer reporting agency
36 intends to remove a freeze upon a consumer's credit report pursuant to this
37 subdivision, the consumer reporting agency shall notify the consumer in
38 writing prior to removing the freeze on the consumer's credit report.

39 (h) If a third party requests access to a consumer credit report on which a security
40 freeze is in effect and this request is in connection with an application for credit or any other
41 use and the consumer does not allow the consumer's credit report to be accessed for that
42 specific period of time, the third party may treat the application as incomplete.

43 (i) If a consumer requests a security freeze pursuant to this section, the consumer
44 reporting agency shall disclose to the consumer the process of placing and temporarily lifting a
45 security freeze and the process for allowing access to information from the consumer's credit
46 report for a specific period of time or to a specific third party while the security freeze is in
47 place.

48 (j) A security freeze shall remain in place until the consumer requests that the security
49 freeze be removed. A consumer reporting agency shall remove a security freeze within 15
50 minutes of receiving a request for removal if the request is made by phone or electronically, or
51 within three business days of receiving a request for removal from the consumer, who provides

1 by mail. A consumer requesting the removal of a security freeze shall provide all of the
2 following:

3 (1) Proper identification.

4 (2) The unique personal identification number or password provided by the
5 consumer reporting agency pursuant to subsection (c) of this section.

6 (k) A consumer reporting agency shall require proper identification of the person
7 making a request to place or remove a security freeze.

8 (l) The provisions of this section do not apply to the use of a consumer credit report by
9 any of the following:

10 (1) A person, or the person's subsidiary, affiliate, agent, subcontractor, or
11 assignee with whom the consumer has, or prior to assignment had, an
12 account, contract, or debtor-creditor relationship for the purposes of
13 reviewing the active account or collecting the financial obligation owing for
14 the account, contract, or debt.

15 (2) A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to
16 whom access has been granted under subsection (d) of this section for
17 purposes of facilitating the extension of credit or other permissible use.

18 (3) Any person acting pursuant to a court order, warrant, or subpoena.

19 (4) A state or local agency, or its agents or assigns, which administers a program
20 for establishing and enforcing child support obligations.

21 (5) A state or local agency, or its agents or assigns, acting to investigate fraud,
22 including Medicaid fraud, or acting to investigate or collect delinquent taxes
23 or assessments, including interest and penalties, unpaid court orders, or to
24 fulfill any of its other statutory responsibilities.

25 (6) A federal, state, or local governmental entity, including law enforcement
26 agency, court, or their agent or assigns.

27 (7) A person for the purposes of prescreening as defined by the Fair Credit
28 Reporting Act, 15 U.S.C. § 1681, et seq.

29 (8) Any person for the sole purpose of providing for a credit file monitoring
30 subscription service to which the consumer has subscribed.

31 (9) A consumer reporting agency for the purpose of providing a consumer with
32 a copy of the consumer's credit report upon the consumer's request.

33 (10) Any depository financial institution for checking, savings, and investment
34 accounts.

35 (11) Any property and casualty insurance company for use in setting or adjusting
36 a rate, adjusting a claim, or underwriting for property and casualty insurance
37 purposes.

38 (m) If a security freeze is in place, a consumer reporting agency shall not change any of
39 the following official information in a credit report without sending a written confirmation of
40 the change to the consumer within 30 days of the change being posted to the consumer's file:
41 name, date of birth, social security number, and address. Written confirmation is not required
42 for technical modifications of a consumer's official information, including name and street
43 abbreviations, complete spellings, or transposition of numbers or letters. In the case of an
44 address change, the written confirmation shall be sent to both the new address and the former
45 address.

46 (n) The following persons are not required to place in a credit report a security freeze
47 pursuant to this section provided, however, that any person that is not required to place a
48 security freeze on a credit report under the provisions of subdivision (3) of this subsection shall
49 be subject to any security freeze placed on a credit report by another consumer reporting
50 agency from which it obtains information:

- 1 (1) A check services or fraud prevention services company, which reports on
2 incidents of fraud or issues authorizations for the purpose of approving or
3 processing negotiable instruments, electronic fund transfers, or similar
4 methods of payment.
- 5 (2) A deposit account information service company, which issues reports
6 regarding account closures due to fraud, substantial overdrafts, ATM abuse,
7 or other similar negative information regarding a consumer to inquiring
8 banks or other financial institutions for use only in reviewing a consumer
9 request for a deposit account at the inquiring bank or financial institution.
- 10 (3) A consumer reporting agency that does all of the following:
- 11 a. Acts only to resell credit information by assembling and merging
12 information contained in a database of one or more credit reporting
13 agencies.
- 14 b. Does not maintain a permanent database of credit information from
15 which new credit reports are produced.

16 (o) ~~This section does not prevent a consumer reporting agency from charging a fee of~~
17 ~~no more than ten dollars (\$10.00) to a consumer for each freeze, removal of the freeze, or~~
18 ~~temporary lifting of the freeze for a period of time, regarding access to a consumer credit~~
19 ~~report.~~A consumer reporting agency shall not charge a fee to put a security freeze in place,
20 remove a freeze, or lift a freeze pursuant to subsection (d) of this section, provided that any
21 such request is made electronically. If a request to put a security freeze in place is made by
22 telephone or by mail, a consumer reporting agency may charge a fee to a consumer not to
23 exceed three dollars (\$3.00), except that a consumer reporting agency may not charge any fee
24 to a consumer over the age of 62, to a victim of identity theft who has submitted a copy of a
25 valid investigative or incident report or complaint with a law enforcement agency about the
26 unlawful use of the victim's identifying information by another person-person, or to the victim's
27 spouse. A consumer reporting agency shall not charge an additional fee to a consumer who
28 requests to temporarily lift, lift with respect to a particular third party, reinstate, or remove a
29 security freeze. A consumer reporting agency shall not charge a consumer for a onetime reissue
30 of a replacement personal identification number. A consumer reporting agency may charge a
31 fee not to exceed three dollars (\$3.00) to provide any subsequent replacement personal
32 identification number.

33 (o1) A parent or guardian may inquire of a consumer reporting agency as to the existence
34 of a credit report for their minor. If a report for the minor exists, the parent or guardian shall
35 have the authority to institute a security freeze for that minor in accordance with the provisions
36 of this section and to take any other actions this section authorizes a consumer to take, with
37 respect to the minor's credit report. A consumer reporting agency shall comply with such a
38 request. If a credit report for the minor does not exist, a consumer reporting agency has no
39 obligation to create one.

40 (p) At any time that a consumer is required to receive a summary of rights required
41 under section 609 of the federal Fair Credit Reporting Act, the following notice shall be
42 included:

43
44 **'North Carolina Consumers Have the Right to Obtain a Security Freeze.**

45
46 You have a right to place a "security freeze" on your credit report pursuant to North
47 Carolina law. The security freeze will prohibit a consumer reporting agency from releasing any
48 information in your credit report without your express authorization. A security freeze ~~must~~can
49 be requested in writing by ~~certified mail, first-class mail, by telephone, or electronically.~~You
50 may also request a freeze by visiting the following Web site: [URL] or calling the following
51 telephone number: [NUMBER].

1 The security freeze is designed to prevent credit, loans, and services from being approved in
2 your name without your consent. However, you should be aware that using a security freeze to
3 take control over who gains access to the personal and financial information in your credit
4 report may delay, interfere with, or prohibit the timely approval of any subsequent request or
5 application you make regarding new loans, credit, mortgage, insurance, rental housing,
6 employment, investment, license, cellular phone, utilities, digital signature, Internet credit card
7 transactions, or other services, including an extension of credit at point of sale.

8 The freeze will be placed within ~~five~~three business days if you request it by mail, or
9 within 15 minutes if you request it by telephone or electronically. When you place a security
10 freeze on your credit report, within ~~10~~three business days, you will be ~~provided~~sent a personal
11 identification number or a password to use when you want to remove ~~or lift temporarily the~~
12 ~~security freeze.~~the security freeze, temporarily lift it, or lift it with respect to a particular third
13 party.

14 A freeze does not apply when you have an existing account relationship and a copy of your
15 report is requested by your existing creditor or its agents or affiliates for certain types of
16 account review, collection, fraud control, or similar activities.

17 You should plan ahead and lift a freeze if you are actively seeking credit or services as a
18 security freeze may slow your applications, as mentioned above.

19 You can remove a ~~freeze or authorize temporary access for a specific period of time~~freeze,
20 temporarily lift a freeze, or lift a freeze with respect to a particular third party by contacting the
21 consumer reporting agency and providing all of the following:

- 22 (1) Your personal identification number or password,
- 23 (2) Proper identification to verify your identity, and
- 24 (3) Proper information regarding the period of time you want your report
25 available to users of the credit ~~report~~report, or the third party with respect to
26 which you want to lift the freeze.

27 A consumer reporting agency that receives a request from you to temporarily lift a freeze or
28 to lift a freeze with respect to a particular third party on a credit report shall comply with the
29 request no later than three business days after receiving the ~~request~~by mail and no later than 15
30 minutes after receiving a request by telephone or electronically. A consumer reporting agency
31 may charge you up to ~~ten dollars (\$10.00)~~three dollars (\$3.00) for each time you freeze, remove
32 the freeze, or temporarily lift the freeze for a period of time, except a consumer reporting
33 agency may not charge any amount to a victim of identify theft who has submitted a copy of a
34 valid investigative or incident report or complaint with a law enforcement agency about the
35 ~~unlawful use of the victim's identifying information by another person.~~to institute a freeze if
36 your request is made by telephone or by mail. A consumer reporting agency may not charge
37 you any amount to freeze, remove a freeze, temporarily lift a freeze, or lift a freeze with respect
38 to a particular third party, if any of the following are true:

- 39 (1) Your request is made electronically.
- 40 (2) You are over the age of 62.
- 41 (3) You are the victim of identity theft and have submitted a copy of a valid
42 investigative or incident report or complaint with a law enforcement agency
43 about the unlawful use of the your identifying information by another
44 person, or you are the spouse of such a person.

45 You have a right to bring a civil action against someone who violates your rights under the
46 credit reporting laws. The action can be brought against a consumer reporting agency or a user
47 of your credit report.

48 (q) A violation of this section is a violation of G.S. 75-1.1."

49 **SECTION 2.** G.S. 75-65 reads as rewritten:

50 "**§ 75-65. Protection from security breaches.**

1 (a) Any business that owns or licenses personal information of residents of North
2 Carolina or any business that conducts business in North Carolina that owns or licenses
3 personal information in any form (whether computerized, paper, or otherwise) shall provide
4 notice to the affected person that there has been a security breach following discovery or
5 notification of the breach. The disclosure notification shall be made without unreasonable
6 delay, consistent with the legitimate needs of law enforcement, as provided in subsection (c) of
7 this section, and consistent with any measures necessary to determine sufficient contact
8 information, determine the scope of the breach and restore the reasonable integrity, security,
9 and confidentiality of the data system. For the purposes of this section, personal information
10 shall not include electronic identification numbers, electronic mail names or addresses, Internet
11 account numbers, Internet identification names, parent's legal surname prior to marriage, or a
12 password unless this information would permit access to a person's financial account or
13 resources.

14 (b) Any business that maintains or possesses records or data containing personal
15 information of residents of North Carolina that the business does not own or license, or any
16 business that conducts business in North Carolina that maintains or possesses records or data
17 containing personal information that the business does not own or license shall notify the owner
18 or licensee of the information of any security breach immediately following discovery of the
19 breach, consistent with the legitimate needs of law enforcement as provided in subsection (c) of
20 this section.

21 (c) The notice required by this section shall be delayed if a law enforcement agency
22 informs the business that notification may impede a criminal investigation or jeopardize
23 national or homeland security, provided that such request is made in writing or the business
24 documents such request contemporaneously in writing, including the name of the law
25 enforcement officer making the request and the officer's law enforcement agency engaged in
26 the investigation. The notice required by this section shall be provided without unreasonable
27 delay after the law enforcement agency communicates to the business its determination that
28 notice will no longer impede the investigation or jeopardize national or homeland security.

29 (d) The notice shall be clear and conspicuous. The notice shall include ~~a description~~ all
30 of the following:

- 31 (1) ~~The~~ A description of the incident in general terms.
- 32 (2) ~~The~~ A description of the type of personal information that was subject to the
33 unauthorized access and acquisition.
- 34 (3) ~~The~~ A description of the general acts of the business to protect the personal
35 information from further unauthorized access.
- 36 (4) A telephone number for the business that the person may call for further
37 information and assistance, if one exists.
- 38 (5) Advice that directs the person to remain vigilant by reviewing account
39 statements and monitoring free credit reports.
- 40 (6) The toll-free numbers and addresses for the major consumer reporting
41 agencies.
- 42 (7) The toll-free numbers, addresses, and Web site addresses for the Federal
43 Trade Commission and the North Carolina Attorney General's Office, along
44 with a statement that the individual can obtain information from these
45 sources about preventing identity theft.

46 (e) For purposes of this section, notice to affected persons may be provided by one of
47 the following methods:

- 48 (1) Written notice.
- 49 (2) Electronic notice, for those persons for whom it has a valid e-mail address
50 and who have agreed to receive communications electronically if the notice
51 provided is consistent with the provisions regarding electronic records and

1 signatures for notices legally required to be in writing set forth in 15 U.S.C.
2 § 7001.

3 (3) Telephonic notice provided that contact is made directly with the affected
4 persons.

5 (4) Substitute notice, if the business demonstrates that the cost of providing
6 notice would exceed two hundred fifty thousand dollars (\$250,000) or that
7 the affected class of subject persons to be notified exceeds 500,000, or if the
8 business does not have sufficient contact information or consent to satisfy
9 subdivisions (1), (2), or (3) of this subsection, for only those affected
10 persons without sufficient contact information or consent, or if the business
11 is unable to identify particular affected persons, for only those unidentifiable
12 affected persons. Substitute notice shall consist of all the following:

13 a. E-mail notice when the business has an electronic mail address for
14 the subject persons.

15 b. Conspicuous posting of the notice on the Web site page of the
16 business, if one is maintained.

17 c. Notification to major statewide media.

18 (e1) In the event a business provides notice pursuant to this section, the business shall
19 notify without unreasonable delay the Consumer Protection Division of the Attorney General's
20 Office of the nature of the breach, the number of consumers affected by the breach, steps taken
21 to investigate the breach, steps taken to prevent a similar breach in the future, and information
22 regarding the timing, distribution, and content of the notice.

23 (f) In the event a business provides notice to more than 1,000 persons at one time
24 pursuant to this section, the business shall notify, without unreasonable delay, the Consumer
25 Protection Division of the Attorney General's Office and all consumer reporting agencies that
26 compile and maintain files on consumers on a nationwide basis, as defined in 15 U.S.C. §
27 1681a(p), of the timing, distribution, and content of the notice.

28 (g) Any waiver of the provisions of this Article is contrary to public policy and is void
29 and unenforceable.

30 (h) A financial institution that is subject to and in compliance with the Federal
31 Interagency Guidance Response Programs for Unauthorized Access to Consumer Information
32 and Customer Notice, issued on March 7, 2005, by the Board of Governors of the Federal
33 Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of
34 the Currency, and the Office of Thrift Supervision, and any revisions, additions, or
35 substitutions relating to said interagency guidance, shall be deemed to be in compliance with
36 this section.

37 (i) A violation of this section is a violation of G.S. 75-1.1. No private right of action
38 may be brought by an individual for a violation of this section unless such individual is injured
39 as a result of the violation.

40 (j) Causes of action arising under this Article may not be assigned."

41 **SECTION 3.** G.S. 132-1.10 is amended by adding a new subsection to read

42 "(e1) Registers of deeds and clerks of courts shall apply optical character recognition
43 technology and other reasonably available technology to official records placed on Internet
44 Web sites available to the general public in order to identify and redact social security and
45 drivers license numbers."

46 **SECTION 4.** G.S. 132-1.10(h) reads as rewritten:

47 "(h) Any affected person may petition the court for an order directing compliance with
48 this section. ~~No~~ Except for failure to comply with subsection (e1) of this section, no liability
49 shall accrue to a register of deeds or clerk of court or to his or her agent for any action related
50 to provisions of this section or for any claims or damages that might result from a social
51 security number or other identifying information on the public record or on a register of deeds'

1 or clerk of court's Internet Web site available to the general public or an Internet Web site
2 available to the general public used by a register of deeds or clerk of court."

3 **SECTION 5.** G.S. 15B-2 reads as rewritten:

4 **"§ 15B-2. Definitions.**

5 As used in this Article, unless the context requires otherwise:

- 6 (1) ~~"Allowable expense" means reasonable~~ Allowable expense. – Reasonable
7 charges incurred for reasonably needed products, services, and
8 accommodations, including those for medical care, rehabilitation,
9 medically-related property, and other remedial treatment and care.

10 Allowable expense includes a total charge not in excess of five thousand
11 dollars (\$5,000) for expenses related to funeral, cremation, and burial,
12 including transportation of a body, but excluding expenses for flowers,
13 gravestone, and other items not directly related to the funeral service.

14 Allowable expense for medical care, counseling, rehabilitation,
15 medically-related property, and other remedial treatment and care of a victim
16 shall be limited to sixty-six and two-thirds percent (66 2/3%) of the amount
17 usually charged by the provider for the treatment or care. By accepting the
18 compensation paid as allowable expense pursuant to this subdivision, the
19 provider agrees that the compensation is payment in full for the treatment or
20 care and shall not charge or otherwise hold a claimant financially
21 responsible for the cost of services in addition to the amount of allowable
22 expense.

- 23 (2) ~~"Claimant" means any~~ Claimant. – Any of the following persons who claims
24 an award of compensation under this Article:

- 25 a. A victim;
26 b. A dependent of a deceased victim;
27 c. A third person who is not a collateral source and who provided
28 benefit to the victim or his family other than in the course or scope of
29 his employment, business, or profession;
30 d. A person who is authorized to act on behalf of a victim, a dependent,
31 or a third person described in subdivision c.

32 The claimant, however, may not be the offender or an accomplice of the
33 offender who committed the criminally injurious conduct.

- 34 (3) ~~"Collateral source" means a~~ Collateral source. – A source of benefits or
35 advantages for economic loss otherwise compensable that the victim or
36 claimant has received or that is readily available to the victim or the claimant
37 from any of the following sources:

- 38 a. The offender.
39 b. The government of the United States or any of its agencies, a state or
40 any of its political subdivisions, or an instrumentality of two or more
41 states.
42 c. Social Security, Medicare, or Medicaid.
43 d. State-required, temporary, nonoccupational disability insurance.
44 e. Worker's compensation.
45 f. Wage continuation programs of any employer.
46 g. Proceeds of a contract of insurance payable to the victim for loss that
47 the victim sustained because of the criminally injurious conduct.
48 h. A contract providing prepaid hospital and other health care services,
49 or benefits for disability.
50 i. A contract of insurance that will pay for expenses directly related to a
51 funeral, cremation, and burial, including transportation of a body.

- 1 (4) ~~"Commission"~~ means the Commission. – The Crime Victims Compensation
2 Commission established by G.S. 15B-3.
- 3 (4a) Consumer reporting agency. – Any person who, for monetary fees, dues, or
4 on a cooperative nonprofit basis, regularly engages in whole or in part in the
5 practice of assembling or evaluating consumer credit information or other
6 information on consumers for the purpose of furnishing credit reports to
7 third parties.
- 8 (4b) Credit report. – Any written, oral, or other communication of any
9 information by a consumer reporting agency bearing on a consumer's
10 creditworthiness, credit standing, credit capacity, character, general
11 reputation, personal characteristics, or mode of living which is used or
12 expected to be used or collected in whole or in part for the purpose of
13 servicing as a factor in establishing the consumer's eligibility for any of the
14 following:
- 15 a. Credit to be used primarily for personal, family, or household
16 purposes.
- 17 b. Employment purposes.
- 18 c. Any other purpose authorized under 15 U.S.C. § 1681(b).
- 19 (5) ~~"Criminally injurious conduct"~~ means conduct ~~Criminally injurious conduct~~.
20 – Conduct that by its nature poses a substantial threat of personal injury or
21 death, and is punishable by fine or imprisonment or death, or would be so
22 punishable but for the fact that the person engaging in the conduct lacked the
23 capacity to commit the crime under the laws of this State. Criminally
24 injurious conduct includes conduct that amounts to an offense involving
25 impaired driving as defined in G.S. 20-4.01(24a), and conduct that amounts
26 to a violation of G.S. 20-166 if the victim was a pedestrian or was operating
27 a vehicle moved solely by human power or a mobility impairment device.
28 For purposes of this Article, a mobility impairment device is a device that is
29 designed for and intended to be used as a means of transportation for a
30 person with a mobility impairment, is suitable for use both inside and
31 outside a building, and whose maximum speed does not exceed 12 miles per
32 hour when the device is being operated by a person with a mobility
33 impairment. Criminally injurious conduct does not include conduct arising
34 out of the ownership, maintenance, or use of a motor vehicle when the
35 conduct is punishable only as a violation of other provisions of Chapter 20
36 of the General Statutes. Criminally injurious conduct shall also include an
37 act of terrorism, as defined in 18 U.S.C. § 2331, that is committed outside of
38 the United States against a citizen of this State.
- 39 (6) ~~"Dependent"~~ means an ~~Dependent~~. – An individual wholly or substantially
40 dependent upon the victim for care and support and includes a child of the
41 victim born after his death.
- 42 (7) ~~"Dependent's economic loss"~~ means loss ~~Dependent's economic loss~~. – Loss
43 after a victim's death of contributions of things of economic value to his
44 dependents, not including services they would have received from the victim
45 if he had not suffered the fatal injury, less expenses of the dependents
46 avoided by reason of the victim's death.
- 47 (8) ~~"Dependent's replacement service loss"~~ means loss ~~Dependent's replacement~~
48 service loss. – Loss reasonably incurred by dependents after a victim's death
49 in obtaining ordinary and necessary services in lieu of those the victim
50 would have performed for their benefit if he had not suffered the fatal injury,

1 less expenses of the dependents avoided by reason of the victim's death and
2 not subtracted in calculating dependent's economic loss.

3 Dependent's replacement service loss will be limited to a 26-week period
4 commencing from the date of the injury and compensation shall not exceed
5 two hundred dollars (\$200.00) per week.

6 (9) ~~"Director" means the~~Director. – The Director of the Commission appointed
7 under G.S. 15B-3(g).

8 (10) ~~"Economic loss" means economic~~Economic loss. – Economic detriment
9 consisting only of allowable expense, work loss, replacement services loss,
10 and household support loss. If criminally injurious conduct causes death,
11 economic loss includes a dependent's economic loss and a dependent's
12 replacement service loss. Noneconomic detriment is not economic loss, but
13 economic loss may be caused by pain and suffering or physical impairment.

14 (10a) ~~"Household support loss" means the~~Household support loss. – The loss of
15 support that a victim would have received from the victim's spouse for the
16 purpose of maintaining a home or residence for the victim and the victim's
17 dependents. A victim may be compensated fifty dollars (\$50.00) per week
18 for each dependent child. Compensation for household support loss shall not
19 exceed three hundred dollars (\$300.00) per week and shall be limited to 26
20 weeks commencing from the date of the injury. A victim may receive only
21 one compensation for household support loss. Household support loss is
22 only available to an unemployed victim whose spouse is the offender who
23 committed the criminally injurious conduct that is the basis of the victim's
24 claim under this act.

25 (11) ~~"Noneconomic detriment" means pain,~~Noneconomic detriment. – Pain,
26 suffering, inconvenience, physical impairment, or other nonpecuniary
27 damage.

28 (12) ~~"Replacement services loss" means expenses~~Replacement services loss. –
29 Expenses reasonably incurred in obtaining ordinary and necessary services
30 in lieu of those the injured person would have performed, not for income but
31 for the benefit of himself or his family, if he had not been injured.

32 Replacement service loss will be limited to a 26-week period
33 commencing from the date of the injury, and compensation may not exceed
34 two hundred dollars (\$200.00) per week.

35 (12a) ~~"Substantial evidence" means relevant~~Substantial evidence. – Relevant
36 evidence that a reasonable mind might accept as adequate to support a
37 conclusion.

38 (13) ~~"Victim" means a~~Victim. – A person who suffers personal injury or death
39 proximately caused by criminally injurious conduct.

40 (14) ~~"Work loss" means loss~~Work loss. – Loss of income from work that the
41 injured person would have performed if he had not been injured and
42 expenses reasonably incurred by him to obtain services in lieu of those he
43 would have performed for income, reduced by any income from substitute
44 work actually performed by him, or by income he would have earned in
45 available appropriate substitute work that he was capable of performing but
46 unreasonably failed to undertake.

47 Compensation for work loss will be limited to 26 weeks commencing
48 from the date of the injury, and compensation shall not exceed three hundred
49 dollars (\$300.00) per week. A claim for work loss will be paid only upon
50 proof that the injured person was gainfully employed at the time of the

1 criminally injurious conduct and, by physician's certificate, that the injured
2 person was unable to work."

3 **SECTION 6.** Chapter 15B of the General Statutes is amended by adding a new
4 section to read:

5 **"§ 15B-26. Crime victims credit protection.**

6 (a) A creditor that is owed money for services provided to a victim as a result of the
7 criminally injurious conduct inflicted on the victim shall not communicate any information
8 about the debt to a consumer reporting agency during the pendency of an application for an
9 award filed pursuant to G.S. 15B-7 or during the pendency of an appeal from a decision related
10 to such an application.

11 (b) The victim bears the burden of notifying the creditor that the debt is subject to
12 subsection (a) of this section.

13 (c) A creditor may request monthly verification from the Commission that the
14 application or appeal is still pending and the Commission shall provide this verification."

15 **SECTION 7.** Chapter 75 of the General Statutes is amended by adding a new
16 Article to read:

17 "Article 6.

18 "Credit Monitoring Services Act.

19 **"§ 75-123. Title.**

20 This Article shall be known and may be cited as the 'Credit Monitoring Services Act.'

21 **"§ 75-124. Definitions.**

22 The following definitions apply in this Article:

23 (1) Credit monitoring service. – Any person who offers, for a fee or
24 compensation, to obtain, provide, or monitor a credit report on behalf of a
25 consumer, or to assist a consumer in obtaining or monitoring the consumer's
26 credit report, and provides or purports to provide the foregoing services. The
27 term also includes any person who offers, for a fee or compensation, to
28 obtain or provide a fraud alert on behalf of a consumer or to assist a
29 consumer in obtaining such fraud alert.

30 (2) Consumer report. – As defined in the federal Fair Credit Reporting Act, 15
31 U.S.C. § 1681a(d). This term is synonymous with 'credit report.'

32 (3) Consumer. – An individual.

33 (4) Fraud alert. – As defined in the federal Fair Credit Reporting Act, 15 U.S.C.
34 § 1681c-1.

35 (5) Person. – Any individual, partnership, corporation, association, business
36 establishment, or any other legal or commercial entity.

37 **"§ 75-125. Required disclosure.**

38 (a) Prior to the charging or collecting of any fee or compensation from a consumer for
39 the obtaining, providing, or monitoring of the consumer's credit report on behalf of the
40 consumer, a credit monitoring service shall provide the following disclosure to the consumer:

41
42 **'Consumers Have the Right to Obtain a FREE Credit Report.**

43
44 The federal Fair Credit Report Act (FCRA) requires each of the nationwide consumer
45 reporting agencies (Equifax, Experian, and TransUnion) to provide you with a free copy of
46 your credit report, at your request once every 12 months. There are three ways to order your
47 free annual credit report:

48 (1) Go to the Internet Web site www.annualcreditreport.com and complete the
49 order form;

50 (2) Call toll-free, 1-877-322-8228, and request a report; or

1 (3) Complete the Annual Credit Report Request Form, available at the Internet
2 Web site www.annualcreditreport.com and mail it to:

3
4 Annual Credit Report Request Service

5 P.O. Box 105281

6 Atlanta, GA 30348-5281
7

8 You may order your reports from each of the three nationwide consumer reporting
9 companies at the same time, or you can order your report from each of the companies one at a
10 time.

11 There are other situations in which you may also be entitled to a free credit report:

12 (1) If a company takes adverse action against you, such as denying your
13 application for credit, insurance, or employment, and you ask for your report
14 within 60 days of receiving notice of the action;

15 (2) If you are unemployed and plan to look for a job within 60 days;

16 (3) If you are on welfare; or

17 (4) If your report is inaccurate because of fraud, including identity theft.

18 (b) The disclosure required by subsection (a) of this section shall be clear and
19 conspicuous and shall be in writing.

20 (c) This section shall apply to consumer reporting agencies, as that term is defined in
21 the federal Fair Credit Report Act, 15 U.S.C. § 1681a(f), to the extent not preempted by federal
22 law.

23 (d) A violation of this section is a violation of G.S. 75-1.1."

24 **SECTION 8.** This act becomes effective October 1, 2009.