



## 93RD GENERAL ASSEMBLY

### State of Illinois

#### 2003 and 2004

Introduced 02/05/04, by Annazette Collins

#### SYNOPSIS AS INTRODUCED:

New Act  
220 ILCS 5/4-201.5 new

Creates the Illinois Fair Credit Reporting Act and amends the Public Utilities Act. Directs the Illinois Commerce Commission to regulate the business of credit reporting agencies. Directs the Commission to investigate complaints against credit reporting agencies and to host public hearings. Provides for a civil penalty of up to \$1,000 for a credit reporting agency's willful or negligent failure to resolve a consumer's complaint in a timely manner. Imposes certain requirements on credit reporting agencies. Prohibits credit reporting agencies from making credit reports containing information reported by specified utilities. Provides that the federal Fair Credit Reporting Act governs matters not addressed by the Illinois Act.

LRB093 18782 LCB 44515 b

1 AN ACT concerning credit reports.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Illinois Fair Credit Reporting Act.

6 Section 5. Findings. The General Assembly finds that the  
7 welfare and prosperity of all Illinois citizens require the  
8 adequate and efficient provision of accurate and reliable  
9 information regarding Illinois consumers' credit history.

10 Section 10. Definitions. In this Act:

11 "Consumer" means an individual.

12 "Credit report" means a consumer report as defined in the  
13 federal Fair Credit Reporting Act.

14 "Credit reporting agency" means a consumer reporting  
15 agency as defined in the federal Fair Credit Reporting Act.

16 "Commission" means the Illinois Commerce Commission.

17 Section 15. Commission; regulation of credit reporting  
18 agencies.

19 (a) The Commission shall regulate the business of credit  
20 reporting agencies in this State. The Commission's duties  
21 include, but are not limited to:

22 (1) investigating complaints against credit reporting  
23 agencies; and

24 (2) hosting quarterly public hearings with credit  
25 reporting agencies regarding service to the community.

26 (b) If a complaint by a consumer regarding the accuracy of  
27 his or her credit report is not resolved by the credit  
28 reporting agency in a timely manner, and if the Commission  
29 finds that the agency willfully or negligently failed to  
30 resolve the complaint in a timely manner, the Commission may

1 impose a civil penalty of up to \$1,000 against the agency for  
2 the agency's willful or negligent act.

3 (c) If the Commission determines that an inordinate number  
4 of unresolved complaints have been filed against a credit  
5 reporting agency, the Commission shall suspend that agency's  
6 business license for a period of not more than 3 months or  
7 until the majority of the complaints are resolved.

8 Section 20. Free credit reports to consumers.

9 (a) Each credit reporting agency shall provide a free  
10 credit report to a consumer if he or she makes the request not  
11 later than 60 days after receiving a notification that his or  
12 her credit rating has been adversely affected.

13 (b) Upon the request of a consumer, an agency that  
14 maintains his or her credit report on file shall provide it  
15 free of charge once every 12 months if the consumer certifies  
16 in writing that he or she:

17 (1) is unemployed and intends to apply for employment  
18 in the 60-day period commencing on the date the  
19 certification is made;

20 (2) is a recipient of public assistance; or

21 (3) has reason to believe that the file on the consumer  
22 at the agency contains inaccurate information because of  
23 fraud.

24 Section 25. Errors; consumer's notice; corrective action.

25 (a) If any information in a consumer's credit report is  
26 inaccurate, the consumer must promptly notify the credit  
27 reporting agency of any error or inaccuracy. The agency must  
28 then conduct an investigation, take any corrective action, and  
29 inform the consumer in writing of the results of the  
30 investigation.

31 (b) If a consumer is denied credit based upon inaccurate  
32 information in a report furnished by a credit reporting agency,  
33 the agency must send a corrected copy of the report along with  
34 a written apology to the consumer and the person that denied

1 credit to the consumer.

2 Section 30. Information on overdue child support  
3 obligations. Every credit reporting agency shall include, in  
4 any credit report it furnishes in accordance with this Act,  
5 information on the consumer's failure to pay overdue child  
6 support if the information (i) is furnished to the agency by a  
7 State or local child support enforcement agency or is verified  
8 by any local, State, or federal government agency and (ii)  
9 antedates the report by 7 years or less.

10 Section 32. Utilities; information. A credit reporting  
11 agency may not make any credit report containing information  
12 reported by any of the following:

13 (a) a public utility as defined in Section 3-105 of the  
14 Public Utilities Act;

15 (b) a telecommunications carrier as defined in Section  
16 13-202 of the Public Utilities Act;

17 (c) an alternative retail electric supplier as defined  
18 in Section 16-202 of the Public Utilities Act; or

19 (d) an alternative gas supplier as defined in Section  
20 19-105 of the Public Utilities Act.

21 Section 35. Information regarding inquiries. A credit  
22 reporting agency may not furnish to any person a record of  
23 inquiries solely resulting from credit transactions that are  
24 not initiated by a consumer.

25 Section 40. Procedural safeguards. A credit reporting  
26 agency must maintain reasonable procedures designed to prevent  
27 the reappearance in a consumer's file, and in credit reports on  
28 the consumer, of information that is deleted or otherwise  
29 corrected pursuant to this Act.

30 Section 45. Complaint referral card. Every credit  
31 reporting agency must insert in its correspondence with a

1 consumer a complaint referral card listing the office addresses  
2 and telephone numbers of the Commission and the Attorney  
3 General. The State shall reimburse the agency for the agency's  
4 expenses in complying with this requirement.

5 Section 50. Federal law. The federal Fair Credit Reporting  
6 Act shall govern any area or subject matter relating to credit  
7 reporting by credit reporting agencies not expressly addressed  
8 by the provisions of this Act.

9 Section 55. Rules. The Commission shall adopt rules  
10 necessary to implement this Act.

11 Section 90. The Public Utilities Act is amended by adding  
12 Section 4-201.5 as follows:

13 (220 ILCS 5/4-201.5 new)

14 Sec. 4-201.5. Regulation of credit reporting agencies. The  
15 Commission shall regulate the activities of credit reporting  
16 agencies in this State as provided in the Illinois Fair Credit  
17 Reporting Act.