AMENDMENTS TO LB757

(Amendments to Standing Committee amendments, AM1648)

Introduced by Morfeld, 46.

1   1. Strike amendment 1 and insert the following new amendments:

2   1. Strike original section 6 and insert the following new sections:

3   Section 1. Section 8-2602, Revised Statutes Cumulative Supplement,

4   2016, is amended to read:

5   8-2602 For purposes of the Credit Report Protection Act:

6   (1) Consumer reporting agency means any person which, for monetary

7   fees, for dues, or on a cooperative nonprofit basis, regularly engages in

8   whole or in part in the practice of assembling or evaluating consumer

9   credit information or other information on consumers for the purpose of

10   furnishing consumer reports to third parties and which uses any means or

11   facility of interstate commerce for the purpose of preparing or

12   furnishing consumer reports;

13   (2) Credit report has the same meaning as consumer report as defined

14   in 15 U.S.C. 1681a(d);

15   (3) File, when used in connection with information on any consumer

16   or protected consumer, means all of the information on that consumer or

17   protected consumer recorded and retained by a consumer reporting agency

18   regardless of how the information is stored. File does not include a

19   record;

20   (4) Protected consumer means an individual who is (a) under sixteen

21   years of age at the time a request for the placement of a security freeze

22   is made or (b) an incapacitated person for whom a guardian or guardian ad

23   litem has been appointed;

24   (5) Record means a compilation of information that (a) identifies a

25   protected consumer, (b) is created by a consumer reporting agency solely

26   for the purpose of complying with section 8-2603.01, and (c) may not be

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1 created or used to consider the protected consumer's credit worthiness,

2 credit standing, credit capacity, character, general reputation, personal

3 characteristics, or mode of living;

4 (6) Representative means a person who provides to a consumer

5 reporting agency sufficient proof of authority to act on behalf of a

6 protected consumer;

7 (7) Security freeze means:

8 (a) A notice placed in a consumer's file as provided in section

9 8-2603 that prohibits the consumer reporting agency from releasing a

10 credit report, or any other information derived from the file, in

11 connection with the extension of credit or the opening of a new account,

12 without the express authorization of the consumer;

13 (b) If a consumer reporting agency does not have a file pertaining

14 to a protected consumer, a restriction that:

15 (i) Is placed on the protected consumer's record in accordance with

16 section 8-2603.01; and

17 (ii) Prohibits the consumer reporting agency from releasing the

18 protected consumer's record except as provided in the Credit Report

19 Protection Act; or

20 (c) If a consumer reporting agency has a file pertaining to the

21 protected consumer, a restriction that:

22 (i) Is placed on the protected consumer's credit report in

23 accordance with section 8-2603.01; and

24 (ii) Prohibits the consumer reporting agency from releasing the

25 protected consumer's credit report or any information derived from the

26 protected consumer's credit report except as provided in section

27 8-2608.01;

28 (8) Substantially similar type of security product means any product

29 that provides the same level of protection to a consumer's or protected

30 consumer's credit report as that provided under the Credit Report

31 Protection Act regardless of the contact method used by a consumer or

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1 protected consumer to request, temporarily lift, or remove a restriction

2 placed on the consumer's or protected consumer's credit report;

3   (9) (8) Sufficient proof of authority means documentation that shows

4 a representative has authority to act on behalf of a protected consumer.

5 Sufficient proof of authority includes, but is not limited to, an order

6 issued by a court of law, a lawfully executed and valid power of

7 attorney, or a written notarized statement signed by a representative

8 that expressly describes the authority of the representative to act on

9 behalf of a protected consumer. A representative who is a parent may

10 establish sufficient proof of authority by providing a certified or

11 official copy of the protected consumer's birth certificate;

12   (10) (9) Sufficient proof of identification means information or

13 documentation that identifies a consumer, a protected consumer, or a

14 representative of a protected consumer. Sufficient proof of

15 identification includes, but is not limited to, a social security number

16 or a copy of a social security card, a certified or official copy of a

17 birth certificate, a copy of a valid driver's license, or any other

18 government-issued identification; and

19   (11) (10) Victim of identity theft means a consumer or protected

20 consumer who has a copy of an official police report evidencing that the

21 consumer or protected consumer has alleged to be a victim of identity

22 theft.

23   Sec. 7.   (1) To protect personal information from unauthorized

24 access, acquisition, destruction, use, modification, or disclosure, an

25 individual or a commercial entity that conducts business in Nebraska and

26 owns, licenses, or maintains data that includes personal information

27 about a resident of Nebraska shall implement and maintain reasonable

28 security procedures and practices that are appropriate to the nature and

29 sensitivity of the personal information owned, licensed, or maintained

30 and the nature and size of the business and its operations, including

31 safeguards that protect the personal information when the individual or

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1 commercial entity disposes of the personal information.

2 (2) An individual or commercial entity that discloses personal

3 information about a Nebraska resident to a nonaffiliated, third-party

4 service provider shall require by contract that the service provider

5 implement and maintain reasonable security procedures and practices that:

6 (a) Are appropriate to the nature of the personal information

7 disclosed to the service provider; and

8 (b) Are reasonably designed to help protect the personal information

9 from unauthorized access, acquisition, destruction, use, modification, or

10 disclosure.

11 (3) An individual or a commercial entity complies with subsections

12 (1) and (2) of this section if the individual or commercial entity:

13 (a) Complies with a state or federal law that provides greater

14 protection to personal information than the protections that this section

15 provides; or

16 (b) Complies with the regulations promulgated under Title V of the

17 Gramm-Leach-Bliley Act, 15 U.S.C. 6801 et seq., or the Health Insurance

18 Portability and Accountability Act of 1996, 42 U.S.C. 1320d to 1320d-9,

19 as such act and sections existed on January 1, 2018, if the individual or

20 commercial entity is subject to either or both of such act or sections.

21 2. On page 3, line 25, after the period insert "This subsection does

22 not apply if the substantially similar type of security product, alone or

23 in combination with another product, provides greater protection to the

24 consumer than a security freeze.".

25 3. On page 4, line 8, after the period insert "This section does not

26 apply if the substantially similar type of security product, alone or in

27 combination with another product, provides greater protection to the

28 protected consumer than a security freeze."; and in line 22 strike "6"

29 and insert "7".

30 4. On page 5, line 29, strike "6" and insert "7".

31 5. On page 6, line 3, after "sections" insert "8-2602,".

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1   6. Renumber the remaining sections accordingly.

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