

**SUBSTITUTE FOR
SENATE BILL NO. 75**

A bill to provide remedies in connection with security freezes on certain consumer credit information.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "consumer credit protection remedies act".

3 Sec. 3. As used in this act, "consumer", "consumer reporting
4 agency", "credit report", and "security freeze" mean those terms as
5 defined in the consumer credit protection act.

6 Sec. 5. (1) A consumer may bring an action against a person
7 that negligently fails to comply with any requirement imposed under
8 the consumer credit protection act with respect to the consumer to
9 recover actual damages sustained by the consumer as a result of the

1 failure, plus reasonable attorney fees and court costs. This
2 subsection does not apply to a person that fails to comply with
3 section 7(4) or 11(3) of the consumer credit protection act.

4 (2) A consumer may bring an action against a person that fails
5 to comply with any requirement imposed under section 7(4) or 11(3)
6 of the consumer credit protection act with respect to the consumer,
7 to recover actual damages sustained by the consumer as a result of
8 the failure, plus reasonable attorney fees and court costs, but
9 only if the person's failure to comply with sections 7(4) or 11(3)
10 of the consumer credit protection act is knowing and willful.

11 (3) A consumer reporting agency may bring an action against a
12 person who obtains a credit report or requests a security freeze,
13 the temporary lift of a freeze, or the removal of a freeze under
14 the consumer credit protection act from the consumer reporting
15 agency under false pretenses or in an attempt to violate federal or
16 state law to recover actual damages sustained by the consumer
17 reporting agency or \$1,000.00, whichever is greater.

18 (4) If the court in an action described in this section finds
19 that an unsuccessful pleading, motion, or other paper filed in
20 connection with the action was filed in bad faith or for purposes
21 of harassment, the court shall award attorney fees to the
22 prevailing party in an amount the court finds reasonable in
23 relation to the work expended in responding to the pleading,
24 motion, or paper.

25 Enacting section 1. This act takes effect 90 days after the
26 date it is enacted.

27 Enacting section 2. This act does not take effect unless

1 Senate Bill No. 340 of the 94th Legislature is enacted into law.