

Louisiana Revised Statutes

Title 9 – Civil Code-Ancillaries

Book 3 – Of the Different Modes of Acquiring the Ownership of Things

Code Title 12 – Of Loan

Chapter 2 – Louisiana Consumer Credit Law

Part 13 – Disclosure

§ 3571.1. Credit reporting agency information and reports; consumer access to files; right of correction; dissemination or maintenance of untrue or misleading credit information by credit reporting agency; investigation; right to recovery

A.(1) Each credit reporting agency shall, within five business days of receipt of a written request from a consumer, mail, first class, to that consumer a copy of his credit report, including the nature and substance of any information being provided to credit reporting agency customers of the agency.

(2) Any consumer appearing in person during normal business hours at the office of a full service credit reporting agency location which offers customer service shall, upon presentation of clear and proper identification, be immediately given a copy of his report unless the agency has reason to believe the requestor is an impostor.

(3) The credit reporting agency may charge the consumer a fee not to exceed eight dollars for each requested copy of his credit report, whether the request is made in person or in writing. The eight dollar fee maximum may be increased each year on August twenty-first by an amount not to exceed the annual percentage increase in the retail Consumer Price Index in the preceding year. Such annual adjustment shall be rounded to the nearest half-dollar.

B. Any credit reporting agency doing business in this state shall maintain reasonable procedures to comply with the federal Fair Credit Reporting Act, the Consumer Credit Protection Act, and all provisions of this Section. Each credit reporting agency shall use reasonable care to insure the maximum possible accuracy of the credit reports it disseminates.

C. Upon written notification by the affected consumer disputing the completeness or accuracy of any item so maintained or disseminated, a credit reporting agency shall initiate an investigation of the disputed item. Within forty-five calendar days of receipt of such written notification, the credit reporting agency shall either promptly correct the disputed item or shall provide a written update of the current status of the disputed file items after investigation of said items. When the consumer provides evidence substantiating his claim, the credit reporting agency shall consider such information. If the investigation does not resolve the dispute, the consumer may file a brief statement setting forth the nature of the dispute. The credit reporting agency may limit such statements to not more than one hundred words if it provides the consumer with assistance in writing a clear summary of the dispute. Whenever a dispute statement is filed, unless there are compelling grounds to believe such dispute is frivolous or irrelevant, the credit reporting agency shall in any subsequent report containing the information in question clearly note that it is disputed and provide either the consumer's statement or a clear and accurate summary thereof.

D. Any consumer who is denied credit, insurance, or employment on the whole or partial basis of information provided by a credit reporting agency shall be entitled to a copy of his credit report without charge, provided that he requests such report in writing from the agency within sixty days of being denied credit by a third party. The third party shall upon request by the consumer provide the name of the credit reporting agency which provided information used in the credit denial decision.

E. Each credit reporting agency shall maintain a record of the recipients of any credit report which was furnished for employment consideration purposes in the two years preceding the request, and such agency shall also maintain a record of the recipients of a report requested for any other purpose during the six-month period preceding the request.

F. Any person damaged by an intentional or negligent violation of Subsections A through E may bring an action for and shall be entitled to recovery of actual damages, plus reasonable attorney fees, court costs, and other reasonable costs of prosecution of the suit.

G.(1) Any person who is denied credit, insurance, or employment on the basis of erroneous or inaccurate information furnished by a credit reporting agency is entitled to the recovery from such agency of his actual damages, plus reasonable attorney fees and court costs, if both of the following exist:

(a) The erroneous or inaccurate information was a significant material cause of the denial of credit, insurance, or employment.

(b) The credit reporting agency failed to use ordinary care in obtaining or amassing the information or failed to exercise due diligence in discovering such error.

(2) Any person who is required to have erroneous or inaccurate information removed from his credit report as a condition to having his credit, insurance, or employment application approved is entitled to the recovery of his actual damages, plus reasonable attorney fees and court costs, if both of the following exist:

(a) The erroneous or inaccurate information was a significant material cause of the request for the removal of such information.

(b) The credit reporting agency failed to use ordinary care in obtaining or amassing the information or failed to exercise due diligence in discovering such error.

(3) For purposes of this Subsection, the failure to use ordinary care or exercise due diligence shall mean the failure to comply with the federal Fair Credit Reporting Act, the Consumer Credit Protection Act, or any provision of this Section. Such failure to comply shall be presumptive evidence that the credit reporting agency failed to use ordinary care or exercise due diligence.

H. For the purposes of this Section:

(1) "Clear and proper identification" means information generally deemed sufficient to identify a person.

(2) "Credit report" means any written, oral, or other communication of any credit information by a credit reporting agency, as defined in the federal Fair Credit Reporting Act, which operates or maintains a database of consumer credit information bearing on a consumer's credit worthiness, credit standing, or credit capacity.

(3) "Credit reporting agency" means any person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and who uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports. For the purposes of this Section, "Credit Reporting Agency" shall not mean a check acceptance service which provides check approval and guarantees services to merchants.

(4) "Security alert" means a notice placed on a consumer file, at the request of the consumer, that is sent to a recipient of a consumer report involving that consumer file, signifying the fact that the consumer's identity may have been used without the consumer's consent to fraudulently obtain goods or services in the consumer's name.

(5) "Security freeze" means a notice placed on a consumer file, at the request of the consumer and subject to certain exceptions, that prohibits a credit reporting agency from releasing the consumer's credit report or credit score without the express authorization of the consumer.

I. Upon a request by a consumer in writing or by telephone, with proper identification provided by the consumer, a consumer reporting agency shall place a security alert on the consumer's file not later than five business days after the date the agency receives the request. The security alert must remain in effect for not less than ninety days after the date the agency places the security alert on file. There is no limit on the number of security alerts a consumer may request. At the termination of the security alert, upon written request or telephone authorization by the consumer, and with proper identification provided by the consumer, the agency shall provide the consumer with a copy of the consumer's file.

J. A consumer reporting agency shall send an alert to each person who requests a consumer report if a security alert is in effect for the consumer file involved regardless of whether a full credit report, or summary report is requested.

K. A consumer reporting agency that compiles and maintains files on a nationwide basis, as defined by 15 U.S.C. §1681a(p) shall maintain a toll-free telephone number that will accept security alert requests from consumers twenty-four hours a day, seven days a week, subject to reasonable maintenance, or service outages beyond the control of the consumer reporting agency.

L. The following persons are not required to place a security alert or a security freeze on a credit report in accordance with this Part:

(1) A check services or fraud prevention services company, which issues reports on incidents of fraud or authorizations for the purpose of approving or processing negotiable instruments, electronic funds transfers, or similar methods of payments.

(2) A deposit account information service company, which issues reports regarding account closures due to fraud, substantial overdrafts, ATM abuse, or similar negative information regarding a consumer, to inquiring banks or other financial institutions for use only in reviewing a consumer request for a deposit account at the inquiring bank or financial institution.

(3) A reseller of credit information that assembles or merges information contained in the database of another consumer reporting agency or multiple consumer reporting agencies, and does not maintain a permanent database of credit information from which new consumer reports are produced.

(4) Any database or file which consists solely of any information adverse to the interests of the consumer, including but not limited to criminal record information, which is used for fraud prevention or detection, tenant screening, employment screening, or any purpose permitted by the federal Fair Credit Reporting Act, 15 U.S.C. §1681b.

(5) A person to the extent such person offers fraud prevention services that issues reports on incidents of fraud or reports used primarily in the detection or prevention of fraud.

(6) A bank, as defined in 12 U.S.C. 1813(a) and Title 6 of the Louisiana Revised Statutes of 1950.

M.(1) A consumer may elect to place a security freeze on his credit report by any of the following methods:

(a) By written request, sent by standard or certified mail, that includes clear and proper identification, to a credit reporting agency.

(b) Telephone call.

(c) Electronically by secure website.

(2) A credit reporting agency shall place a security freeze on a consumer's credit report no later than five business days after receiving a written request for the security freeze from the consumer by mail. A credit reporting agency that receives such a request electronically by secure website or by telephone shall comply with the request within twenty-four hours of receiving the request.

(3) When a security freeze is in place, information from a consumer's credit report shall not be released to a third party without prior express authorization from the consumer. This Subsection does not prevent a credit reporting agency from advising a third party that a security freeze is in effect with respect to the consumer's credit report.

N. The credit reporting agency shall, no later than five business days after the date the agency receives the request for a security freeze, provide the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the access to his credit file for a specific period of time. In addition, the credit reporting agency shall simultaneously provide to the consumer in writing the process of placing, removing, and temporarily lifting a security freeze and the process for allowing access to information from the consumer's credit file for a specific period while the security freeze is in effect.

O. A consumer may request a replacement personal identification number or password. The request shall comply with the requirements for requesting a security freeze under Subsection M of this Section. The credit reporting agency shall, not later than the fifth business day after the date the agency receives the request for a replacement personal identification number or password, provide the consumer with a new, unique personal identification number or password to be used by the consumer instead of the number or password that was provided under Subsection N of this Section.

P. A credit reporting agency shall notify a person who requests a consumer report or score if a security freeze is in effect for the consumer file involved in that report or score.

Q. If a third party requests access to a consumer credit report on which a security freeze is in effect, and this request is in connection with an application for credit or any other use, and the consumer does not allow his credit report to be accessed for that specific period of time, the third party must treat the application as incomplete.

R. If the consumer wishes to allow his credit report or score to be accessed for a specific period of time while a freeze is in place, he shall contact the credit reporting agency by a method provided for in Subsection M of this Section and request that the freeze be temporarily lifted, and provide the following:

(1) Clear and proper identification.

(2) The unique personal identification number or password provided by the credit reporting agency pursuant to Subsection N or O.

(3) The proper information regarding the time period for which the report shall be available to users of the credit report.

S. A credit reporting agency that receives a request by mail from a consumer to temporarily lift a freeze on a credit report pursuant to Subsection R of this Section shall comply with the request no later than three business days after receiving the request. A credit reporting agency that receives such a request electronically by secure website or by telephone shall comply with the request within twenty-four hours of receiving the request.

T. A credit reporting agency shall remove or temporarily lift a freeze placed on a consumer's credit report only in the following cases:

(1) Upon consumer request as provided in this Section.

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

U. A security freeze shall remain in place until the consumer requests that the security freeze be temporarily lifted for a specific period of time or removed. A credit reporting agency shall remove a security freeze within three business days of receiving a written request for removal from the consumer or within twenty-four hours of receiving an electronic request by secure website or telephonic request for removal from the consumer, who provides both of the following:

(1) Clear and proper identification.

(2) The unique personal identification number or password provided by the credit reporting agency.

V. A security freeze does not apply to a consumer report provided to:

(1) A federal, state, or local governmental entity, including a law enforcement agency, or court, or their agents or assigns.

(2) A private collection agency for the sole purpose of assisting in the collection of an existing debt of the consumer who is the subject of the credit report requested.

(3) A person or entity, or a subsidiary, affiliate, or agent of that person or entity, or an assignee of a financial obligation owing by the consumer to that person or entity, or a prospective assignee of a financial obligation owing by the consumer to that person or entity in conjunction with the proposed purchase of the financial obligation, with which the consumer has or had prior to assignment an account or contract, including a demand deposit account, or to whom the consumer issued a negotiable instrument, for the purposes of reviewing the account or collecting the financial obligation owing for the account, contract, or negotiable instrument. For purposes of this Paragraph, "reviewing the account" includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

(4) A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom access has been granted under Subsection R for the purposes of facilitating the extension of credit.

(5) A person, for the purposes of prescreening as provided by the federal Fair Credit Reporting Act.

(6) A credit reporting agency for the purposes of providing a consumer with a copy of his own report on his request.

(7) A child support enforcement agency.

(8) A credit reporting agency that acts only as a reseller of credit information by assembling and merging information contained in the database of another credit reporting agency or multiple credit reporting agencies and does not maintain a permanent database of credit information from which new credit reports are produced. However, a credit reporting agency acting as a reseller shall honor any security freeze placed on a credit report by another credit reporting agency.

(9) A check services or fraud prevention services company, which issues reports on incidents of fraud or authorizations for the purpose of approving or processing negotiable instruments, electronic funds transfers, or similar methods of payments.

(10) A deposit account information service company, which issues reports regarding account closures due to fraud, substantial overdrafts, ATM abuse, or similar negative information regarding a consumer, to inquiring banks or other financial institutions for use only in reviewing a consumer request for a deposit account at the inquiring bank or financial institution.

W. A credit reporting agency may impose a reasonable charge on a consumer for initially placing a security freeze on a consumer file. The amount of the charge may not exceed ten dollars. The charge to temporarily lift the security freeze may not exceed eight dollars per request. At no time shall the consumer be charged for revoking the freeze. On January first of each year, a credit reporting agency may increase the charge for placing a security alert based proportionally on changes to the Consumer Price Index of All Urban Consumers as determined by the United States Department of Labor with fractional changes rounded to the nearest twenty-five cents. An exception shall be allowed whereby the consumer will be charged zero dollars by the consumer reporting agency placing the security freeze if any of the following applies:

(1) If the consumer is a victim of identity theft and, upon the request of the consumer reporting agency, provides the credit reporting agency with a police report described in R.S. 9:3568.

(2) If the consumer is sixty-two years of age or older.

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

Y. Any consumer damaged by an intentional or negligent violation of Subsections M through U may bring an action for and shall be entitled to recovery of actual damages, plus reasonable attorney fees, court costs, and other reasonable costs of prosecution of the suit.

Z. A credit reporting agency is not required to place, remove, or temporarily lift a security freeze within the time periods provided in this Section, only for such time as the occurrences prevent compliance, if any of the following occurrences apply:

(1) The consumer fails to provide information required by this Section or commits or attempts to commit a fraud or misrepresentation.

(2) The credit reporting agency's ability to place, remove, or temporarily lift the security freeze is prevented by any of the following circumstances:

(a) An act of God, including fire, earthquakes, hurricanes, storms, or similar natural disaster or phenomena.

(b) Unauthorized or illegal acts by a third party, including terrorism, sabotage, riot, vandalism, labor strikes or disputes disrupting operations, or similar occurrence.

(c) Operational interruption, including electrical failure, unanticipated delay in equipment or replacement part delivery, computer hardware or software failures inhibiting response time, or similar disruption.

(d) Governmental action, including emergency orders or regulations, judicial or law enforcement action, or similar directives.

(e) Regularly scheduled maintenance, during other than normal business hours, of, or updates to, the credit reporting agency's systems.

(f) Commercially reasonable maintenance of, or repair to, the credit reporting agency's systems that is unexpected or unscheduled.

Acts 1990, No. 671, §1; Acts 1992, No. 592, §1; Acts 1993, No. 243, §1; Acts 2003, No. 934, §1; Acts 2004, No. 766, §1, eff. July 1, 2005; Acts 2010, No. 998, §1.