

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS COMMITTEE

The meeting was called to order by Chairperson Pete DeGraaf at 3:30 pm on Thursday, February 05, 2015, 152-S of the Capitol.

All members were present except:

Representative Mario Goico – Excused

Committee staff present:

Melissa Calderwood-Renick, Legislative Research Department

Whitney Howard, Legislative Research Department

Matt Sterling, Office of Revisor of Statutes

Gary Deeter, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Representative Sydney Carlin, District 66

Ron Gaches, Consumer Data Industry Association

Others in attendance:

[See Attached List](#)

Hearing on: HB2134 — Authorizing consumer credit report security freezes for individuals less than 18 years old.

The Chair opened the hearing on **HB 2134**.

Staff Matt Sterling briefed the Committee on the bill; he said the bill would amend the Fair Credit Reporting Act to enable a protected consumer's parent or guardian to request that a consumer reporting agency place a security freeze on a protected consumer ([Attachment 1](#)). A reporting agency would not be allowed to release any information until the freeze was lifted at the request of the parent or guardian. Certain penalties could be assessed for failure to comply with the act.

Representative Carlin, who testified as a proponent for the bill, stated that the intent of the bill was to protect minors from identity theft ([Attachment 2](#)). She said that studies show minors to be significantly more vulnerable to identity theft than adults.

Ron Gaches provided an industry perspective, saying that he supported the bill but suggested minor amendments that would improve the bill ([Attachment 3](#)).

Representative Carlin referenced the written testimony of Jo Lyle, a citizen of Manhattan, who also supported the bill ([Attachment 4](#)).

Members discussed the implications of the bill. A member suggested an "opt-out" rather than an "opt-in" provision. Members expressed concern that the bill might create more problems than it solved. Staff Matt Sterling explained that, if the language of page 3 regarding penalties were stricken, penalties would revert back to the penalties of the original statute. Staff Melissa Renick, referencing the federal

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Consumer Protection Act, commented that state statutes which address identity theft must interact with provisions in the federal law.

The Chairman closed the hearing.

The meeting was adjourned at 4:26 p.m. The next meeting is scheduled for Tuesday, February 10, 2015, in Room 152-S of the Capitol.