

107TH CONGRESS  
1ST SESSION

# H. R. 1176

To amend the Fair Credit Reporting Act to protect consumers from the adverse consequences of incomplete and inaccurate consumer credit reports, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 22, 2001

Mr. FORD introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Fair Credit Reporting Act to protect consumers from the adverse consequences of incomplete and inaccurate consumer credit reports, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Credit Reporting  
5 Act Amendments of 2001”.

1 **SEC. 2. FREE CREDIT REPORT ANNUALLY UPON REQUEST**  
2 **OF CONSUMER.**

3 (a) Section 612 of the Fair Credit Reporting Act (15  
4 U.S.C. 1681j) is amended—

5 (1) by redesignating subsections (c) and (d) as  
6 subsections (d) and (e), respectively; and

7 (2) by inserting after subsection (b) the fol-  
8 lowing new subsection:

9 “(c) **FREE CREDIT REPORT ANNUALLY UPON RE-**  
10 **QUEST OF CONSUMER.**—Upon the request of any con-  
11 sumer, each consumer reporting agency shall make all dis-  
12 closures pursuant to section 609 without charge to such  
13 consumer at least once each calendar year.”.

14 (b) **TECHNICAL AND CONFORMING AMENDMENT.**—  
15 Section 612(a)(1) of the Fair Credit Reporting Act (15  
16 U.S.C. 1681j(a)(1)) is amended by striking “(c), and (d)”  
17 and inserting “(c), (d), and (e)”.

18 **SEC. 3. DISCLOSURE OF WORLD WIDE WEB SITE.**

19 Section 609(e)(1)(B) of the Fair Credit Reporting  
20 Act (15 U.S.C. 1681(c)(1)(B)) is amended by inserting  
21 “and information sufficient to allow the consumer to con-  
22 tact the agency, or request a consumer report relating to  
23 the consumer from the agency, through the Internet or  
24 the World Wide Web” before the period at the end.

1 **SEC. 4. DISCLOSURE OF CREDIT SCORES AND EXPLA-**  
2 **NATION OF CREDIT SCORES.**

3 Section 609(a)(1) of the Fair Credit Reporting Act  
4 (15 U.S.C. 1681g(a)(1)) is amended to read as follows:

5 “(1) All information in the consumer’s file at  
6 the time of the request, including any information  
7 concerning credit scores or any other risk scores or  
8 predictors relating to the consumer, together with—

9 “(A) a clear and concise summary of how  
10 the scores and predictors are derived;

11 “(B) the factors taken into account in de-  
12 riving a score or predictor;

13 “(C) how such factors are applied to the  
14 consumer;

15 “(D) the relative weight given to each fac-  
16 tor; and

17 “(E) the manner and extent to which such  
18 factors raise or lower the score or predictor.”

19 **SEC. 5. SHORTER PERIOD FOR INCLUSION OF SMALL**  
20 **DEBTS UNDER CERTAIN CIRCUMSTANCES.**

21 Section 605(a) of the Fair Credit Reporting Act (15  
22 U.S.C. 1681e(a)) is amended by adding at the end the  
23 following new paragraph:

24 “(6) Notwithstanding paragraph (4), any ac-  
25 count placed for collection or charged to profit and  
26 loss in which the amount placed to collection or

1 charged to profit and loss did not exceed \$100 and  
2 which antedates the report by more than 3 years,  
3 if—

4 “(A) the consumer to whom the report re-  
5 lates completed a credit and financial manage-  
6 ment class during such 3-year period; and

7 “(B) the consumer has not previously had  
8 an account excluded from paragraph (4) by vir-  
9 tue of this paragraph.”.

10 **SEC. 6. PROMPT INVESTIGATION AND CORRECTION OR DE-**  
11 **LETION OF INACCURATE, INCOMPLETE, OR**  
12 **UNVERIFIABLE CONSUMER INFORMATION.**

13 (A) REVIEW AND MONITORING REQUIRED.—The  
14 Board of Governors of the Federal Reserve System and  
15 the Federal Trade Commission shall each review and mon-  
16 itor the extent to which, and the manner in which, con-  
17 sumer reporting agencies and furnishers of consumer in-  
18 formation to consumer reporting agencies are complying  
19 with the procedures, time lines, and requirements under  
20 the Fair Credit Reporting Act for the prompt investigation  
21 of the disputed accuracy of any consumer information and  
22 the prompt correction or deletion, in accordance with such  
23 Act, of any inaccurate or incomplete information or infor-  
24 mation that cannot be verified.

1 (b) REPORT REQUIRED.—Before the end of the 6-  
2 month period beginning on the date of the enactment of  
3 this Act, the Board of Governors of the Federal Reserve  
4 System and the Federal Trade Commission shall each sub-  
5 mit a progress report to the Congress on the results of  
6 the review required under subsection (a).

7 (c) RECOMMENDATIONS.—The report under sub-  
8 section (b) shall include such recommendations as the  
9 Board and the Commission determine to be appropriate  
10 for legislative or administrative action to ensure that—

11 (1) consumer disputes with consumer reporting  
12 agencies over the accuracy or completeness of infor-  
13 mation in a consumer’s file are promptly and fully  
14 investigated and any incorrect, incomplete, or un-  
15 verifiable information is immediately corrected or de-  
16 leted;

17 (2) furnishers of information to consumer re-  
18 porting agencies maintain full and prompt compli-  
19 ance with the duties and responsibilities established  
20 under section 623 of the Fair Credit Reporting Act;  
21 and

22 (3) consumer reporting agencies establish and  
23 maintain appropriate internal controls and manage-  
24 ment review procedures for maintaining full and  
25 continuous compliance with the procedures, time

1 lines, and requirements under the Fair Credit Re-  
2 porting Act for the prompt investigation of the dis-  
3 puted accuracy of any consumer information and the  
4 prompt correction or deletion, in accordance with  
5 such Act, of any inaccurate or incomplete informa-  
6 tion or information that cannot be verified.

7 (d) DEFINITIONS.—For purposes of this section, the  
8 terms “consumer”, “consumer report”, and “consumer re-  
9 porting agency” have the same meaning as in the Fair  
10 Credit Reporting Act.

11 **SEC. 7. EFFECTIVE DATE.**

12 The amendments made by this Act shall take effect  
13 at the end of the 90-day period beginning on the date of  
14 the enactment of this Act.

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