

## Union Calendar No. 247

116<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3618

**[Report No. 116-306]**

To establish requirements relating to credit scores and educational credit scores, and for other purposes.

---

### IN THE HOUSE OF REPRESENTATIVES

JULY 5, 2019

Mrs. BEATTY introduced the following bill; which was referred to the Committee on Financial Services

NOVEMBER 21, 2019

Additional sponsor: Mr. CLEAVER

NOVEMBER 21, 2019

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on July 5, 2019]

# **A BILL**

To establish requirements relating to credit scores and educational credit scores, 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 “Free Credit Scores for*  
5 *Consumers Act of 2019”.*

6 **SEC. 2. FINDINGS.**

7 *Congress finds the following:*

8 *(1) While nationwide consumer reporting agen-*  
9 *cies (“CRAs”) are required by law to supply con-*  
10 *sumers with a free copy of their credit report annu-*  
11 *ally, they can charge consumers to obtain a credit*  
12 *score disclosure.*

13 *(2) A July 2011 report by the Consumer Finan-*  
14 *cial Protection Bureau (“Consumer Bureau”) titled*  
15 *“The Impact of Differences between Consumer- and*  
16 *Creditor-Purchased Credit Scores” found that the*  
17 *credit scores made available to and purchased by con-*  
18 *sumers from CRAs are unlikely to be the same credit*  
19 *scores used by creditors and lenders to evaluate con-*  
20 *sumers’ creditworthiness.*

21 *(3) That report found that the scarcity of public*  
22 *educational tools to inform consumers of the dif-*  
23 *ferences among credit scores, the large combined mar-*  
24 *ket share and brand recognition of FICO credit*  
25 *scores, and the marketing practices of some credit*

1     *score sellers may perpetuate consumers’ confusion*  
2     *about credit scores. As a result, some consumers may*  
3     *be purchasing an educational credit score or sub-*  
4     *scribing to a credit monitoring service sold by a CRA,*  
5     *without realizing the limitations and usefulness of*  
6     *these products and services.*

7             *(4) Similarly, a September 2012 Consumer Bu-*  
8     *reau report titled “Analysis of Differences between*  
9     *Consumer- and Creditor-Purchased Credit Scores”*  
10    *found that consumers do not know before they pur-*  
11    *chase a credit score from a CRA whether this credit*  
12    *score will closely track or vary significantly from the*  
13    *credit score sold to creditors or lenders. Given the lack*  
14    *of transparency about the usefulness of credit scores*  
15    *that are marketed for purchase by consumers from*  
16    *CRAs and the resulting consumer confusion, the Con-*  
17    *sumer Bureau recommended that companies selling*  
18    *scores to consumers clearly inform consumers that the*  
19    *scores marketed to consumers for purchase by CRAs*  
20    *can vary, sometimes substantially, from the scores*  
21    *that are actually sold to and used by creditors and*  
22    *lenders.*

23             *(5) A February 2011 study by Consumer Federa-*  
24    *tion of America and VantageScore also found that*  
25    *half of the consumers surveyed did not know that a*

1     *credit score is designed to indicate the risk of not re-*  
2     *paying a credit obligation. Consumers also did not*  
3     *know who makes credit scores available, what numer-*  
4     *ical range constitutes excellent credit standing, or the*  
5     *financial implications of having a low credit score.*

6             *(6) Many consumers do not realize that they*  
7     *have more than just “one” credit score. Because the*  
8     *submission of credit information to CRAs is vol-*  
9     *untary and not all furnishers submit information to*  
10    *every CRA, the information contained in a report*  
11    *also varies among CRAs. As a result, the credit score*  
12    *generated by each CRA is also likely to vary, result-*  
13    *ing in potentially different credit decisions based on*  
14    *an evaluation of different credit reports obtained from*  
15    *different CRAs.*

16            *(7) A February 2015 Consumer Bureau report*  
17    *titled “Consumer Voices on Credit Reports and*  
18    *Scores” found that consumers had questions about*  
19    *what actions to take to improve their scores once they*  
20    *had seen them, suggesting that additional disclosures*  
21    *and educational content would be helpful to con-*  
22    *sumers. The Consumer Bureau found that consumers*  
23    *were confused by conflicting advice on how to improve*  
24    *their scores.*

1           (8) *That report also noted that consumers found*  
2           *the process for obtaining consumer reports and credit*  
3           *scores confusing. Consumers also were uncertain*  
4           *about whether, and under what circumstances, they*  
5           *could obtain a consumer report for free.*

6 **SEC. 3. DEFINITIONS.**

7           (a) *IN GENERAL.—Section 603 of the Fair Credit Re-*  
8           *porting Act (15 U.S.C. 1681a) is amended by adding at*  
9           *the end the following new subsection:*

10           “(bb) *CREDIT SCORE AND EDUCATIONAL CREDIT*  
11           *SCORE DEFINITIONS.—*

12                   “(1) *CREDIT SCORE.—The term ‘credit score’*  
13                   *means a numerical value or a categorization derived*  
14                   *from a statistical tool or modeling system used by a*  
15                   *person who makes or arranges a loan or extends cred-*  
16                   *it to predict the likelihood of certain credit behaviors,*  
17                   *including default, as determined by the Bureau.*

18                   “(2) *EDUCATIONAL CREDIT SCORE.—The term*  
19                   *‘educational credit score’ means a numerical value or*  
20                   *categorization derived from a statistical tool or mod-*  
21                   *eling system based upon information from a consumer*  
22                   *report that assists consumers in understanding how a*  
23                   *lender or creditor may view the consumer’s credit-*  
24                   *worthiness in deciding whether to make a loan or ex-*  
25                   *tend credit to that consumer.*

1           “(3) *KEY FACTORS*.—The term ‘key factors’  
2           means relevant elements or reasons affecting the credit  
3           score for the particular individual, listed in the order  
4           of importance based on the effect of each element or  
5           reason on the credit score or educational credit score.

6           “(4) *CREDIT SCORING MODEL*.—The term ‘credit  
7           scoring model’ means a scoring algorithm, formula,  
8           model, program, or mechanism used to generate a  
9           credit score or an educational credit score.”.

10          (b) *CONFORMING AMENDMENTS*.—The Fair Credit Re-  
11          porting Act (15 U.S.C. 1681 et seq.) is amended—

12                  (1) in section 605(d)(2), by striking “(as defined  
13                  in section 609(f)(2)(B))”; and

14                  (2) in section 615—

15                          (A) by striking “as defined in section  
16                          609(f)(2)(A)” each place that term appears; and

17                          (B) by striking “set forth in subparagraphs  
18                          (B) through (E) of section 609(f)(1)” and insert-  
19                          ing “with respect to a credit score described in  
20                          section 609(f)(2), if available” each place that  
21                          term appears.

1 **SEC. 4. EXPANDS EXPLANATORY INFORMATION GIVEN TO**  
2 **CONSUMERS ABOUT HOW SCORES ARE CAL-**  
3 **CULATED.**

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

6 *“(f) DISCLOSURE OF CREDIT SCORE AND EDU-*  
7 *CATIONAL CREDIT SCORE BY CONSUMER REPORTING*  
8 *AGENCIES.—*

9 *“(1) IN GENERAL.—Upon the request of a con-*  
10 *sumer for a credit score or educational credit score,*  
11 *a consumer reporting agency shall supply to the con-*  
12 *sumer a statement—*

13 *“(A) containing—*

14 *“(i) a current credit score at the time*  
15 *of the request generated using a commonly*  
16 *used credit scoring model to generate credit*  
17 *scores, subject to regulations of the Bureau;*

18 *“(ii) an educational credit score at the*  
19 *time of the request, if it is not practicable*  
20 *to generate such a credit score, as deter-*  
21 *mined by the Bureau; or*

22 *“(iii) an explanation that the con-*  
23 *sumer’s file does not have sufficient infor-*  
24 *mation from which to generate such a credit*  
25 *score or educational credit score; and*



1           “(B) with respect to each previous credit  
2 score in the file of the consumer—

3           “(i) the date on which the credit score  
4 was generated;

5           “(ii) the name of any entity that the  
6 credit score was provided to; and

7           “(iii) the credit score itself.

8           “(2) REQUIREMENTS.—A statement provided  
9 under clause (i) or (ii) of paragraph (1)(A) shall in-  
10 clude—

11           “(A) a minimum of 4 key factors, if avail-  
12 able, that adversely affected the credit score or  
13 educational credit score, except that if one of the  
14 key factors consists of the number of enquiries  
15 made with respect to a consumer report, that fac-  
16 tor shall be provided to the consumer in addition  
17 to the factors required by this subparagraph;

18           “(B) to the extent possible, specific actions  
19 a consumer could take with respect to each key  
20 factor listed in subparagraph (A) to improve the  
21 consumer’s credit score or educational credit  
22 score;

23           “(C) a minimum of 4 key factors, if avail-  
24 able, that positively affected the credit score or  
25 educational credit score;

1           “(D) the range of possible credit scores or  
2           educational credit scores under the credit scoring  
3           model used;

4           “(E) the distribution of credit scores or edu-  
5           cational credit scores among consumers who are  
6           scored under the same credit scoring model by  
7           the consumer reporting agency, and using the  
8           same scale as that of the score that is provided  
9           to a creditor or consumers—

10           “(i) in the form of a bar graph con-  
11           taining a minimum of 6 bars that illus-  
12           trates the percentage of consumers with  
13           credit scores or educational credit scores  
14           within the range of scores represented by  
15           each bar; or

16           “(ii) by another clear and readily un-  
17           derstandable graphical depiction, statement,  
18           or illustration comparing the consumer’s  
19           credit score or educational credit score to  
20           the scores of other consumers, as determined  
21           by the Bureau;

22           “(F) the date on which the credit score or  
23           educational credit score was created; and

1           “(G) the name of the person that developed  
2           the credit scoring model on which the credit score  
3           or educational credit score was based.

4           “(3) *APPLICABILITY TO CERTAIN USES.*—This  
5           subsection shall not be construed so as to compel a  
6           consumer reporting agency to—

7           “(A) develop or disclose a credit score if the  
8           agency does not distribute credit scores used by  
9           a person who makes or arranges a loan or ex-  
10          tends credit to predict the likelihood of certain  
11          credit behaviors; or

12          “(B) develop or disclose an educational  
13          credit score if the agency does not develop edu-  
14          cational credit scores that assist in under-  
15          standing the general credit behavior of a con-  
16          sumer and predicting the future credit behavior  
17          of the consumer.

18          “(4) *MAINTENANCE OF CREDIT SCORES.*—

19          “(A) *IN GENERAL.*—All consumer reporting  
20          agencies shall maintain in the consumer’s file  
21          credit scores relating to the consumer for a pe-  
22          riod of 2 years from the date on which such in-  
23          formation is generated.

24          “(B) *DISCLOSURE ONLY TO CONSUMERS.*—  
25          A past credit score maintained in a consumer’s

1       *file pursuant to subparagraph (A) may only be*  
2       *provided to the consumer to which the credit*  
3       *score relates and may not be included in a con-*  
4       *sumer report or used as a factor in generating*  
5       *a credit score or educational credit score.*

6               “(C) *REMOVAL OF PAST CREDIT SCORES.—*  
7       *A past credit score maintained in a consumer’s*  
8       *file pursuant to subparagraph (A) shall be re-*  
9       *moved from the consumer’s file after the end of*  
10       *the 2-year period described under subparagraph*  
11       *(A).”.*

12 **SEC. 5. REQUIRES CONSUMER REPORTING AGENCIES TO**  
13               **DISCLOSE PROMINENTLY THE DIFFERENCES**  
14               **BETWEEN AND LIMITATIONS OF CREDIT**  
15               **SCORES AND EDUCATIONAL CREDIT SCORES**  
16               **REQUIRED PRIOR TO A CONSUMER OBTAIN-**  
17               **ING SUCH SCORES.**

18       *Section 609(f) of the Fair Credit Reporting Act (15*  
19       *U.S.C. 1681g(f)), as amended by section 3, is further*  
20       *amended by adding at the end the following new para-*  
21       *graphs:*

22               “(5) *WEBSITE DISCLAIMER.—A consumer report-*  
23       *ing agency that generates or provides credit scores or*  
24       *educational credit scores shall clearly and conspicu-*  
25       *ously display on the home page of the agency’s Inter-*

1 *net website, and as part of any application, sollicita-*  
2 *tion, or marketing material or media providing infor-*  
3 *mation related to a credit score or educational credit*  
4 *score, the following notice, in boldface type of 18-*  
5 *point font or larger and in a text box with boldface*  
6 *outer borders:*

7 **“CREDIT SCORE DISCLAIMER.**

8 *“There is no “one” credit score. There are many scor-*  
9 *ing formulas derived from a wide variety of models avail-*  
10 *able to a consumer and used by lenders and creditors. Dif-*  
11 *ferent lenders and creditors use different scoring formulas*  
12 *to determine whether to extend credit or make a loan to*  
13 *you, and the terms of the credit or loan. An educational*  
14 *credit score is not a credit score that a person who makes*  
15 *a loan or extends credit to you is likely to use. Educational*  
16 *credit scores are merely intended to be used as an edu-*  
17 *cational tool to help consumers understand how the infor-*  
18 *mation contained in a consumer report may affect the terms*  
19 *and conditions of a loan or extension of credit that may*  
20 *be available to a consumer. Lenders and creditors may also*  
21 *rely on information not contained in your consumer report*  
22 *and not reflected in the calculation of your credit score.’.*

23 *“(6) ADDITIONAL REQUIREMENTS FOR EDU-*  
24 *CATIONAL CREDIT SCORES.—*

1           “(A) *DISCLAIMER.*—If an educational cred-  
2           it score is provided pursuant to paragraph (1),  
3           a consumer reporting agency shall clearly and  
4           conspicuously include in a prominent location  
5           on the statement, in boldface type of 18-point  
6           font or larger, and in a text box with boldface  
7           outer borders, the following notice:

8    **“EDUCATIONAL CREDIT SCORE DISCLAIMER.**

9           “*The educational credit score provided to you is not*  
10          *a credit score that a lender or creditor is likely to use to*  
11          *make a loan or extend credit to you. There are many dif-*  
12          *ferent credit scores derived from a wide variety of models*  
13          *used by lenders and creditors. An educational credit score*  
14          *is merely an educational tool. It is intended to provide con-*  
15          *sumers with a basic understanding of how the information*  
16          *contained in a consumer report may affect the terms and*  
17          *conditions of credit that are available. The credit scores you*  
18          *receive directly from different lenders and creditors may not*  
19          *be the same as an educational credit score. There are a*  
20          *number of reasons for this:*

21                “(1) *Each company may use a different for-*  
22                *mula for calculating credit scores and the differences*  
23                *in the formulas may lead to differences in your scores.*

24                “(2) *Companies may produce scores that give*  
25                *results on different scales.*

1           “(3) *Not all lenders or creditors report to every*  
 2           *consumer reporting agency, and therefore the infor-*  
 3           *mation contained in your consumer report that the*  
 4           *consumer reporting agencies use to calculate your*  
 5           *educational credit score may differ among agencies.’.*

6           “(B) *PROHIBITION ON MISLEADING REP-*  
 7           *RESENTATIONS.—A consumer reporting agency*  
 8           *may not refer to an educational credit score as*  
 9           *a credit score in any application, solicitation,*  
 10           *marketing, or other informational materials or*  
 11           *media.*

12           “(7) *MODIFICATION OF DISCLAIMERS.—The Bu-*  
 13           *reau may modify the content, format, and manner of*  
 14           *the disclaimers required under paragraphs (5) and*  
 15           *(6), if warranted, after conducting consumer testing*  
 16           *or research.’.*

17 **SEC. 6. PROVIDES CONSUMERS WITH FREE CREDIT SCORE**  
 18           **DISCLOSURES WITH THEIR FREE ANNUAL**  
 19           **CONSUMER REPORTS UPON REQUEST AND**  
 20           **CREATES INSTANCES WHEN CONSUMERS**  
 21           **AUTOMATICALLY RECEIVE FREE CONSUMER**  
 22           **REPORTS AND CREDIT SCORES.**

23           (a) *IN GENERAL.—Section 612 of the Fair Credit Re-*  
 24           *porting Act (15 U.S.C. 1681j) is amended—*

25           (1) *in subsection (a)—*

1 (A) in paragraph (1)—

2 (i) in subparagraph (A), by inserting  
3 after “section 609” the following: “(includ-  
4 ing the disclosure of a credit score or edu-  
5 cational credit score under subsection (f) of  
6 such section)”; and

7 (ii) in subparagraph (C)—

8 (I) by striking “Commission”  
9 each place such term appears and in-  
10 sserting “Bureau”; and

11 (II) by inserting “, credit scores,  
12 and educational credit scores (as ap-  
13 plicable)” after “consumer reports”  
14 each place that term appears;

15 (B) in paragraph (2)—

16 (i) by striking “15 days” and inserting  
17 “3 business days”; and

18 (ii) by inserting “, credit score, or edu-  
19 cational credit score” after “consumer re-  
20 port”;

21 (C) in paragraph (3), by inserting “, credit  
22 score, or educational credit score” after “con-  
23 sumer report”; and



1           (D) in paragraph (4), by inserting “, credit  
2           scores, or educational credit scores” after “con-  
3           sumer reports”;

4           (2) in subsection (b), by inserting “(including  
5           the disclosure of a credit score or educational credit  
6           score, as applicable, under subsection (f) of such sec-  
7           tion)” after “section 609”;

8           (3) in subsection (c)—

9           (A) by inserting “(including the disclosure  
10           of a credit score or educational credit score  
11           under subsection (f) of such section)” after “pur-  
12           suant to section 609”;

13           (B) in paragraph (2), by striking “; or”  
14           and inserting a semicolon;

15           (C) in paragraph (3), by striking the period  
16           at the end and inserting a semicolon; and

17           (D) by adding at the end the following new  
18           paragraphs:

19           “(4) has disputed information, or submitted an  
20           appeal of an investigation or reinvestigation of such  
21           information, under section 611 or 623, regardless of  
22           whether the consumer has already received a credit re-  
23           port, credit score, or educational credit score under  
24           section 611 or 623; or

1           “(5) has had information that was previously  
2           deleted under section 611(a)(5) reinserted into the  
3           consumer’s file, regardless of whether the consumer  
4           has already received a credit report, credit score, or  
5           educational credit score under such section.”;

6           (4) in subsection (d), by inserting “(including  
7           the disclosure of a credit score or educational credit  
8           score under subsection (f) of such section)” after “sec-  
9           tion 609”;

10          (5) in subsection (f)(1)—

11               (A) by striking “reasonable charge” and all  
12               that follows through “section 609” and inserting  
13               “reasonable charge on a consumer for providing  
14               a consumer report to a consumer”;

15               (B) by striking subparagraph (B);

16               (C) by redesignating clauses (i) and (ii) as  
17               subparagraphs (A) and (B), respectively (and  
18               conforming the margins accordingly); and

19               (D) in subparagraph (B) (as so redesign-  
20               ated), by striking “disclosure; and” and insert-  
21               ing “disclosure.”; and

22          (6) by adding at the end the following new sub-  
23          sections:

24          “(h) *CENTRALIZED SOURCE FOR OBTAINING FREE*  
25          *COPY OF CONSUMER REPORT AND SCORES.*—

1           “(1) *NATIONWIDE CONSUMER REPORTING AGEN-*  
2           *CIES.—*

3                   “(A) *IN GENERAL.—Not later than 180*  
4                   *days after the date of enactment of this sub-*  
5                   *section, each consumer reporting agency de-*  
6                   *scribed under subsection (p) of section 603 shall*  
7                   *prominently display on the home page of the*  
8                   *agency’s website—*

9                           “(i) *a hyperlink labeled ‘Get Your Free*  
10                           *Annual Credit Reports along with either*  
11                           *your Credit Scores or Educational Credit*  
12                           *Scores provided for under Federal Law’ or*  
13                           *substantially similar text, as determined by*  
14                           *the Bureau; and*

15                           “(ii) *a disclosure titled ‘Consumer’s*  
16                           *Right to Free Credit Scores, Educational*  
17                           *Credit Scores, and Reports under Federal*  
18                           *Law’ or substantially similar text, as deter-*  
19                           *mined by the Bureau that includes the fol-*  
20                           *lowing statement:*

21                   “*‘All consumers are entitled to obtain a free copy of*  
22                   *their consumer report and credit score or educational credit*  
23                   *score annually from each of the nationwide consumer re-*  
24                   *porting agencies. Under Federal law, a consumer is entitled*  
25                   *to obtain additional free copies of their consumer reports,*

1 *along with a copy of either the consumer's credit score or*  
2 *educational credit score (under certain circumstances), in-*  
3 *cluding:*

4           “(1) *When a consumer is unemployed and in-*  
5 *tends to apply for employment within 60 days.*

6           “(2) *When a consumer is a recipient of public*  
7 *welfare assistance.*

8           “(3) *When a consumer has a reasonable belief*  
9 *that their report contains inaccuracies as a result of*  
10 *fraud.*

11           “(4) *When a consumer asserts in good faith a*  
12 *suspicion that the consumer has been or is about to*  
13 *become a victim of identity theft, fraud, or a related*  
14 *crime, or harmed by the unauthorized disclosure of*  
15 *the consumer's financial or personally identifiable in-*  
16 *formation.*

17           “(5) *When a consumer files a dispute or an ap-*  
18 *peal of the results of a dispute with a consumer re-*  
19 *porting agency or a person who furnished informa-*  
20 *tion to the consumer reporting agency regarding the*  
21 *accuracy or completeness of the information contained*  
22 *on their report.*

23           “(6) *After a furnisher of information discovers*  
24 *it has furnished inaccurate or incomplete information*

1       to a consumer reporting agency, and the furnisher no-  
2       tifies the agency of the error.

3               “(7) After an adverse action is taken against a  
4       consumer or a consumer receives a risk-based pricing  
5       notice.

6               “(8) When a mortgage lender, private edu-  
7       cational lender, indirect auto lender, or motor vehicle  
8       lender obtains and uses a consumer’s reports or scores  
9       for underwriting purposes.’.

10               “(B) *HYPERLINK REQUIREMENTS.*—The  
11       hyperlink described in subparagraph (A)(i) shall  
12       be prominently located on the top of the home  
13       page and should link directly to the website of  
14       the centralized source established pursuant to  
15       section 211(d) of the Fair and Accurate Credit  
16       Transactions Act of 2003 (15 U.S.C. 1681j note).

17               “(C) *MODIFICATIONS.*—The Bureau may  
18       modify the disclosure described in subparagraph  
19       (A)(ii) as necessary to include other cir-  
20       cumstances under which a consumer has the  
21       right to receive a free consumer report, credit  
22       score, or educational credit score.

23               “(2) *NATIONWIDE SPECIALTY CONSUMER RE-*  
24       *PORTING AGENCIES.*—

1           “(A) *IN GENERAL.*—Not later than 180  
2           *days after the date of enactment of this sub-*  
3           *section, each nationwide specialty consumer re-*  
4           *porting agency shall prominently display on the*  
5           *Internet home webpage of the agency a disclosure*  
6           *titled ‘Consumer’s Right to Free Consumer Re-*  
7           *ports and Credit Score or Educational Credit*  
8           *Score (as applicable) under Federal Law’. Such*  
9           *disclosure shall include the following statement:*

10          “‘Upon request, all consumers are entitled to obtain  
11          *a free copy of their consumer report and credit score or edu-*  
12          *cational credit score (as applicable) during any 12-month*  
13          *period from each of the nationwide specialty consumer re-*  
14          *porting agencies. Federal law also provides further cir-*  
15          *cumstances under which a consumer is entitled to obtain*  
16          *additional free copies of their consumer report and credit*  
17          *score or educational credit score (as applicable) including:*

18                 “‘(1) *When a consumer is unemployed and in-*  
19                 *tends to apply for employment within 60 days.*

20                 “‘(2) *When a consumer is a recipient of public*  
21                 *welfare assistance.*

22                 “‘(3) *When a consumer has a reasonable belief*  
23                 *that their report contains inaccuracies as a result of*  
24                 *fraud.*

1           “(4) When a consumer files a dispute or an ap-  
2           peal of the results of a dispute with a consumer re-  
3           porting agency or a person who furnished informa-  
4           tion to the consumer reporting agency regarding the  
5           accuracy or completeness of the information contained  
6           on their report.

7           “(5) After a furnisher of information discovers  
8           it has furnished inaccurate or incomplete information  
9           to a consumer reporting agency, and the furnisher no-  
10          tifies the agency of the error.

11          “(6) After an adverse action is taken against a  
12          consumer or a consumer receives a risk-based pricing  
13          notice.

14          “(7) When a mortgage lender, private edu-  
15          cational lender, indirect auto lender, or motor vehicle  
16          lender obtains and uses a consumer’s reports or scores  
17          for underwriting purposes.’.

18                 “(B) MODIFICATIONS.—The Bureau may  
19                 modify the disclosure described in subparagraph  
20                 (A) as necessary to include other circumstances  
21                 under which a consumer has the right to receive  
22                 a free consumer report and credit score or edu-  
23                 cational credit score (as applicable).

24                 “(C) TOLL-FREE TELEPHONE ACCESS.—The  
25                 information described in this paragraph shall

1           *also be made available via a toll-free telephone*  
2           *number. Such number shall be prominently dis-*  
3           *played on the home page of the website of each*  
4           *nationwide specialty consumer reporting agency.*  
5           *Each of the circumstances under which a con-*  
6           *sumer may obtain a free consumer report and*  
7           *credit score or educational credit score (as appli-*  
8           *cable) shall be presented in an easily under-*  
9           *standable format and consumers shall be directed*  
10          *to an individual who is a customer service rep-*  
11          *resentative not later than 2 minutes after the*  
12          *initial phone connection is made by the con-*  
13          *sumer. Information provided through such tele-*  
14          *phone number shall comply with the require-*  
15          *ments of section 633.*

16                   “(D) *ONLINE CONSUMER REPORTS; EXEMP-*  
17                   *TION.—Upon receipt of a request by a consumer*  
18                   *for a consumer report, each nationwide specialty*  
19                   *consumer reporting agency shall provide access*  
20                   *to such report electronically on the Internet*  
21                   *website described in section 611(h).*

22                   “(i) *AUTOMATIC PROVISION OF FREE CONSUMER RE-*  
23                   *PORTS AND CREDIT SCORES OR EDUCATIONAL CREDIT*  
24                   *SCORES.—A consumer reporting agency shall provide to a*



1 consumer a free copy of the file and credit score or edu-  
 2 cational credit score of the consumer who—

3 “(1) obtains a fraud alert, extended alert, active  
 4 duty alert, or security freeze as described in section  
 5 605A; or

6 “(2) has disputed information, or submitted an  
 7 appeal of an investigation or reinvestigation of such  
 8 information, under section 611 or 623.”

9 (b) *TECHNICAL AMENDMENT.*—Section 615(h)(7) of  
 10 such Act (15 U.S.C. 1681m(h)(7)) is amended by striking  
 11 “section” and inserting “subsection”.

12 **SEC. 7. REQUIRES PRIVATE EDUCATIONAL LENDERS TO**  
 13 **PROVIDE CONSUMERS WITH FREE COPIES OF**  
 14 **ANY CONSUMER REPORTS AND CREDIT**  
 15 **SCORES THAT THEY USED FOR UNDER-**  
 16 **WRITING BEFORE CONSUMERS SIGN LOAN**  
 17 **AGREEMENTS.**

18 Section 609 of the Fair Credit Reporting Act (15  
 19 U.S.C. 1681g) is amended by adding at the end the fol-  
 20 lowing new subsection:

21 “(h) *DISCLOSURE OF CONSUMER REPORTS AND CRED-*  
 22 *IT SCORES BY PRIVATE EDUCATIONAL LENDERS.*—

23 “(1) *IN GENERAL.*—If a private educational  
 24 lender obtains a copy of any consumer reports or  
 25 credit scores and uses such reports or scores in con-

1        *nection with an application of a consumer for a pri-*  
2        *vate education loan, the private educational lender*  
3        *shall provide to the consumer, not later than 3 busi-*  
4        *ness days after obtaining such reports or scores and*  
5        *before the date on which the consumer enters into a*  
6        *loan agreement with the private educational lender, a*  
7        *copy of any such reports or scores, along with the*  
8        *statement described under subsection (f)(2).*

9            *“(2) COSTS.—None of the costs to the private*  
10        *educational lender associated with procuring con-*  
11        *sumer reports or credit scores under this subsection*  
12        *may be charged, directly or indirectly, to the con-*  
13        *sumer.*

14            *“(3) RULE OF CONSTRUCTION.—Nothing in this*  
15        *subsection shall be construed to eliminate any require-*  
16        *ment for creditors and lenders to provide credit score*  
17        *disclosures, including the statement described under*  
18        *subsection (f)(2), to consumers as part of an adverse*  
19        *action or risk-based pricing notice.”.*

1 **SEC. 8. REQUIRES MOTOR VEHICLE LENDERS OR INDIRECT**  
2 **AUTO LENDERS TO PROVIDE CONSUMERS**  
3 **WITH FREE COPIES OF ANY CONSUMER RE-**  
4 **PORTS AND CREDIT SCORES THAT THEY**  
5 **USED FOR UNDERWRITING BEFORE CON-**  
6 **SUMERS SIGN LEASE OR LOAN AGREEMENTS.**

7 *Section 609 of the Fair Credit Reporting Act (15*  
8 *U.S.C. 1681g), as amended by section 6, is further amended*  
9 *by adding at the end the following new subsection:*

10 *“(i) DISCLOSURE OF CONSUMER REPORTS AND CRED-*  
11 *IT SCORES USED BY MOTOR VEHICLE LENDERS OR INDI-*  
12 *RECT AUTO LENDERS.—*

13 *“(1) IN GENERAL.—If a motor vehicle lender or*  
14 *indirect auto lender obtains a copy of any consumer*  
15 *reports or credit scores and uses such reports or scores*  
16 *in connection with an application of a consumer for*  
17 *a motor vehicle loan or lease, the motor vehicle lender*  
18 *or indirect auto lender shall provide to the consumer*  
19 *a document, separate from the consumer’s lease or*  
20 *purchase agreement and before the consumer enters*  
21 *into a lease or purchase agreement, disclosing any*  
22 *consumer reports and credit scores, including the*  
23 *statement described in subsection (f)(2), used by the*  
24 *lender to determine whether to extend credit to the*  
25 *consumer.*

1           “(2) *COSTS.*—None of the costs to the motor vehi-  
2           *cle lender or indirect auto lender associated with pro-*  
3           *curing consumer reports or credit scores under this*  
4           *subsection may be charged, directly or indirectly, to*  
5           *the consumer.*

6           “(3) *RULE OF CONSTRUCTION.*—Nothing in this  
7           *subsection shall be construed to eliminate any require-*  
8           *ment for creditors and lenders to provide credit score*  
9           *disclosures, including the statement described under*  
10           *subsection (f)(2), to consumers as part of an adverse*  
11           *action or risk-based pricing notice.*

12           “(4) *DEFINITIONS.*—

13           “(A) *INDIRECT AUTO LENDER.*—The term  
14           *‘indirect auto lender’ has the meaning given the*  
15           *term by the Bureau, and shall include a person*  
16           *extending a loan made with respect to a car,*  
17           *boat, motorcycle, recreational vehicle, or other*  
18           *similar vehicle used primarily for personal or*  
19           *household purposes.*

20           “(B) *MOTOR VEHICLE LENDER.*—The term  
21           *‘motor vehicle lender’ has the meaning given the*  
22           *term by the Board of Governors of the Federal*  
23           *Reserve System, and shall include a person ex-*  
24           *tending a loan made with respect to a car, boat,*  
25           *motorcycle, recreational vehicle, or other similar*

1           *vehicle used primarily for personal or household*  
2           *purposes.”.*

3 **SEC. 9. REQUIRES RESIDENTIAL MORTGAGE LENDERS TO**  
4           **PROVIDE CONSUMERS WITH FREE COPIES OF**  
5           **ANY CONSUMER REPORTS AND CREDIT**  
6           **SCORES THAT THEY USED FOR UNDER-**  
7           **WRITING BEFORE CONSUMERS SIGN LOAN**  
8           **AGREEMENTS.**

9           *Section 609(g) of the Fair Credit Reporting Act (15*  
10 *U.S.C. 1681g(g)) is amended—*

11           *(1) by redesignating paragraph (2) as para-*  
12 *graph (5);*

13           *(2) in paragraph (1)—*

14           *(A) by striking “a consumer credit score”*  
15 *and inserting “any consumer reports or credit*  
16 *scores”;*

17           *(B) by striking “, as defined in subsection*  
18 *(f),”;*

19           *(C) by striking “the following to the con-*  
20 *sumer as soon as reasonably practicable:” and*  
21 *inserting “, not later than 3 business days after*  
22 *using such reports or scores, a document dis-*  
23 *closing any consumer reports and credit scores*  
24 *used by the lender to determine whether to extend*

1           *credit to the consumer along with the statement*  
2           *described in subsection (f)(2).”;*

3           *(D) by striking subparagraphs (A), (B),*  
4           *(C), (E), and (F);*

5           *(E) by redesignating subparagraph (D) as*  
6           *paragraph (3) (and adjusting the margins ac-*  
7           *cordingly); and*

8           *(F) by redesignating subparagraph (G) as*  
9           *paragraph (4) (and adjusting the margins ac-*  
10           *cordingly);*

11           *(3) by inserting before paragraph (3) (as so re-*  
12           *designated) the following new paragraph:*

13           *“(2) RULE OF CONSTRUCTION.—Nothing in this*  
14           *subsection shall be construed to eliminate any require-*  
15           *ment for lenders to provide credit score disclosures,*  
16           *including the statement described under subsection*  
17           *(f)(2), to consumers as part of an adverse action or*  
18           *risk-based pricing notice.”;*

19           *(4) in paragraph (3) (as so redesignated), in the*  
20           *quoted material—*

21           *(A) by inserting “, free of charge,” after*  
22           *“disclose to you”; and*

23           *(B) by striking “affecting your credit*  
24           *scores” and inserting “affecting your credit score*  
25           *or scores”;*

1           (5) *in paragraph (5) (as so redesignated) by in-*  
2           *serting “or scores” after “credit score” each place such*  
3           *term appears; and*

4           (6) *by adding at the end the following new para-*  
5           *graphs:*

6           “(6) *ACTIONS NOT REQUIRED.—This subsection*  
7           *shall not require any person to disclose any credit*  
8           *score or related information obtained by the person*  
9           *after a loan has closed.*

10          “(7) *NO PROCUREMENT COSTS.—None of the*  
11          *costs to the creditor or lender associated with pro-*  
12          *curing any consumer reports or scores under this sub-*  
13          *section may be charged, directly or indirectly, to the*  
14          *consumer.”.*

15 **SEC. 10. RULEMAKING.**

16          *Not later than the end of the 2-year period beginning*  
17          *on the date of the enactment of this Act, the Bureau of Con-*  
18          *sumer Financial Protection shall issue final rules to imple-*  
19          *ment the amendments made by this Act.*

Union Calendar No. 247

116<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 3618**

[Report No. 116-306]

---

---

## **A BILL**

To establish requirements relating to credit scores and educational credit scores, and for other purposes.

---

---

NOVEMBER 21, 2019

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed