

116TH CONGRESS  
2D SESSION

# H. R. 3621

---

IN THE SENATE OF THE UNITED STATES

JANUARY 30, 2020

Received

---

## AN ACT

To amend the Fair Credit Reporting Act to remove adverse information for certain defaulted or delinquent private education loan borrowers who demonstrate a history of loan repayment, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Comprehensive Credit  
3 Reporting Enhancement, Disclosure, Innovation, and  
4 Transparency Act of 2020” or the “Comprehensive  
5 CREDIT Act of 2020”.

6 **SEC. 2. TABLE OF CONTENTS.**

7       The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Findings.
- Sec. 4. Effective date.
- Sec. 5. Discretionary surplus fund.

TITLE I—IMPROVEMENTS TO THE DISPUTE PROCESS

- Sec. 101. Dispute procedures and disclosures relating to reinvestigations.
- Sec. 102. Consumer awareness of dispute rights.
- Sec. 103. Maintenance of records by furnishers.
- Sec. 104. Duties of furnishers relating to dispute procedures, notices, and disclosures.
- Sec. 105. Right to appeal disputes relating to reinvestigations and investigations.
- Sec. 106. Revised consumer reports.
- Sec. 107. Indication of dispute by consumers and use of disputed information.
- Sec. 108. Accuracy and completeness report duties for consumer reporting agencies and furnishers.
- Sec. 109. Inclusion of public record data sources in consumer reports.
- Sec. 110. Injunctive relief for victims.

TITLE II—FREE CREDIT SCORES FOR CONSUMERS

- Sec. 201. Definitions.
- Sec. 202. Consumer information on calculation of scores.
- Sec. 203. Disclosures relating to credit scores and educational credit scores.
- Sec. 204. Free credit score disclosures and consumer reports.
- Sec. 205. Provision of consumer reports and credit scores by private educational lenders.
- Sec. 206. Provision of consumer reports and credit scores by motor vehicle lenders or indirect auto lenders.
- Sec. 207. Provision of consumer reports and credit scores by residential mortgage lenders.

TITLE III—STUDENT BORROWER CREDIT IMPROVEMENT ACT

- Sec. 301. Removal of adverse information for certain private education loan borrowers.
- Sec. 302. Private education loan definitions.

TITLE IV—CREDIT RESTORATION FOR VICTIMS OF PREDATORY  
ACTIVITIES AND UNFAIR CONSUMER REPORTING PRACTICES

- Sec. 401. Adverse credit information.
- Sec. 402. Expedited removal of fully paid or settled debt from consumer reports.
- Sec. 403. Medical debt collections.
- Sec. 404. Credit restoration for victims of predatory mortgage lending and servicing.
- Sec. 405. Credit restoration for certain private education loans borrowers.
- Sec. 406. Financial abuse prevention.
- Sec. 407. Prohibition of certain factors related to Federal credit restoration or rehabilitation.

TITLE V—CLARITY IN CREDIT SCORE FORMATION

- Sec. 501. Consumer Bureau study and report to Congress on the impact of non-traditional data.
- Sec. 502. Consumer Bureau oversight of credit scoring models.
- Sec. 503. Review of changes to credit scoring models.

TITLE VI—RESTRICTIONS ON CREDIT CHECKS FOR  
EMPLOYMENT DECISIONS

- Sec. 601. Prohibition on the use of credit information for most employment decisions.

TITLE VII—PROHIBITION ON MISLEADING AND UNFAIR  
CONSUMER REPORTING PRACTICES

- Sec. 701. Prohibition on automatic renewals for promotional consumer reporting and credit scoring products and services.
- Sec. 702. Prohibition on misleading and deceptive marketing related to the provision of consumer reporting and credit scoring products and services.
- Sec. 703. Prohibition on excessive direct-to-consumer sales.
- Sec. 704. Fair access to consumer reporting and credit scoring disclosures for nonnative English speakers and the visually and hearing impaired.
- Sec. 705. Comparison shopping for loans without harm to credit standing.
- Sec. 706. Nationwide consumer reporting agencies registry.
- Sec. 707. Protection for certain consumers affected by a shutdown.

TITLE VIII—PROTECTIONS AGAINST IDENTITY THEFT, FRAUD,  
OR A RELATED CRIME

- Sec. 801. Identity theft report definition.
- Sec. 802. Amendment to protection for files and credit records of protected consumers.
- Sec. 803. Enhancement to fraud alert protections.
- Sec. 804. Amendment to security freezes for consumer reports.
- Sec. 805. Clarification of information to be included with agency disclosures.
- Sec. 806. Provides access to fraud records for victims.
- Sec. 807. Required Bureau to set procedures for reporting identity theft, fraud, and other related crime.
- Sec. 808. Establishes the right to free credit monitoring and identity theft protection services for certain consumers.

Sec. 809. Ensures removal of inquiries resulting from identity theft, fraud, or other related crime from consumer reports.

TITLE IX—MISCELLANEOUS

Sec. 901. Definitions.

Sec. 902. Technical correction related to risk-based pricing notices.

Sec. 903. FCRA findings and purpose; voids certain contracts not in the public interest.

Sec. 904. GAO study on the use of credit in housing determinations.

Sec. 905. GAO study on the effects of credit scores impacted by a student borrower's defaulted or delinquent private education loan.

Sec. 906. GAO study on consumer reporting agency compliance with consent orders.

Sec. 907. Protections for active duty uniformed consumer.

Sec. 908. Positive credit reporting permitted.

Sec. 909. Sense of Congress.

Sec. 910. Cybersecurity supervision and examination of large consumer reporting agencies.

1 **SEC. 3. FINDINGS.**

2 Congress finds the following:

3 (1) GENERAL FINDINGS ON CREDIT REPORT-  
4 ING.—

5 (A) Consumer reporting agencies  
6 (“CRAs”) are companies that collect, compile,  
7 and provide information about consumers in the  
8 form of consumer reports for certain permis-  
9 sible statutory purposes under the Fair Credit  
10 Reporting Act (15 U.S.C. 1681 et seq.)  
11 (“FCRA”). The three largest CRAs in this  
12 country are Equifax, TransUnion, and  
13 Experian. These CRAs are referred to as na-  
14 tionwide CRAs and the reports that they pre-  
15 pare are commonly referred to as credit reports.  
16 Furnishers, such as creditors, lenders, and debt  
17 collection agencies, voluntarily submit informa-

1           tion to CRAs about their accounts such as the  
2           total amount for each loan or credit limit for  
3           each credit card and the consumer’s payment  
4           history on these products. Reports also include  
5           identifying information about a consumer, such  
6           as their birthdate, previous mailing addresses,  
7           and current and previous employers.

8           (B) In a December 2012 paper, “Key Di-  
9           mensions and Processes in the U.S. Credit Re-  
10          porting System: A review for how the nation’s  
11          largest credit bureaus manage consumer data”,  
12          the Bureau of Consumer Financial Protection  
13          (“Consumer Bureau”) noted that the three na-  
14          tionwide CRAs maintain credit files on approxi-  
15          mately 200 million adults and receive informa-  
16          tion from about 10,000 furnishers. On a  
17          monthly basis, these furnishers provide infor-  
18          mation on over 1.3 billion consumer credit ac-  
19          counts or other trade lines.

20          (C) The 10 largest institutions furnishing  
21          credit information to each of the nationwide  
22          CRAs account for more than half of all ac-  
23          counts reflected in consumers’ credit files.

24          (D) Consumer reports play an increasingly  
25          important role in the lives of American con-

1           sumers. Most creditors, for example, review  
2           these reports to make decisions about whether  
3           to extend credit to consumers and what terms  
4           and conditions to offer them. As such, informa-  
5           tion contained in these reports affects whether  
6           a person is able to get a private education loan  
7           to pay for college costs, to secure a mortgage  
8           loan to buy a home, or to obtain a credit card,  
9           as well as the terms and conditions under which  
10          consumer credit products or services are offered  
11          to them.

12           (E) Credit reports are also increasingly  
13          used for many noncredit decisions, including by  
14          landlords to determine whether to rent an  
15          apartment to a prospective tenant and by em-  
16          ployers to decide whether to hire potential job  
17          applicants or to offer a promotion to existing  
18          employees.

19           (F) CRAs have a statutory obligation to  
20          verify independently the accuracy and complete-  
21          ness of information included on the reports that  
22          they provide.

23           (G) The nationwide CRAs have failed to  
24          establish and follow reasonable procedures, as  
25          required by existing law, to establish the max-

1           imum level of accuracy of information contained  
2           on consumer reports. Given the repeated fail-  
3           ures of these CRAs to comply with accuracy re-  
4           quirements on their own, legislation is intended  
5           to provide them with detailed guidance improv-  
6           ing the accuracy and completeness of informa-  
7           tion contained in consumer reports, including  
8           procedures, policies, and practices that these  
9           CRAs should already be following to ensure full  
10          compliance with their existing obligations.

11           (H) The presence of inaccurate or incom-  
12          plete information on these reports can result in  
13          substantial financial and emotional harm to  
14          consumers. Credit reporting errors can lead to  
15          the loss of a new employment opportunity or a  
16          denial of a promotion in an existing job, stop  
17          someone from being able to access credit on fa-  
18          vorable terms, prevent a person from obtaining  
19          rental housing, or even trigger mental distress.

20           (I) Current industry practices impose an  
21          unfair burden of proof on consumers trying to  
22          fix errors on their reports.

23           (J) Consumer reports containing inae-  
24          curate or incomplete credit information also un-  
25          dermine the ability of creditors and lenders to

1 effectively and accurately underwrite and price  
2 credit.

3 (K) Recognizing that credit reporting af-  
4 fects the lives of almost all consumers in this  
5 country and that the consequences of errors on  
6 a consumer report can be catastrophic for a  
7 consumer, the Consumer Bureau began accept-  
8 ing consumer complaints about credit reporting  
9 in October 2012.

10 (L) As of early December 2019, the Con-  
11 sumer Bureau has handled approximately  
12 391,560 credit reporting complaints about the  
13 top three CRAs, making credit reporting con-  
14 sistent in the top third most-complained-about  
15 subject matter on which the Consumer Bureau  
16 accepts consumer complaints. Incorrect infor-  
17 mation in reports and frustrations about bur-  
18 densome and time-consuming process to dis-  
19 puting items is consistently top reported  
20 concerns from consumers.

21 (M) Other common types of credit report-  
22 ing complaints submitted to the Consumer Bu-  
23 reau related to the improper use of a report,  
24 trouble obtaining a report or credit score,



1 CRAs' investigations, and credit monitoring or  
2 identity protection.

3 (N) In the fall 2019 "Supervisory High-  
4 lights", the Consumer Bureau noted that one or  
5 more of the largest CRAs continue to struggle  
6 to adequately oversee furnishers to ensure that  
7 they were adhering to the CRA's vetting poli-  
8 cies and to establish proper procedures to verify  
9 public record information.

10 (O) According to the fall 2016 "Super-  
11 visory Highlights", Consumer Bureau exam-  
12 iners determined that one or more debt collec-  
13 tors never investigated indirect disputes that  
14 lacked detail or were not accompanied by at-  
15 tachments with relevant information from the  
16 consumer. Examiners also found that notifica-  
17 tions sent to consumers about disputes consid-  
18 ered frivolous failed to identify for the con-  
19 sumers the type of material that they could pro-  
20 vide in order for the debt collector to complete  
21 the investigation of the disputed item.

22 (P) A February 2014 Consumer Bureau  
23 report titled "Credit Reporting Complaint  
24 Snapshot" found that consumers are confused  
25 about the extent to which the nationwide CRAs

1 are required to provide them with validation  
2 and documentation of a debt that appears on  
3 their credit report.

4 (Q) As evidence that the current system  
5 lacks sufficient market incentives for CRAs to  
6 develop more robust procedures to increase the  
7 accuracy and completeness of information on  
8 credit reports, litigation discovery documented  
9 by the National Consumer Law Center  
10 (“NCLC”), as part of a February 2019 report  
11 titled “Automated Injustice Redux: Ten Years  
12 after a Key Report, Consumers Are Still Frustrated  
13 Trying to Fix Credit Reporting Errors”,  
14 showed that at least two of the three largest  
15 CRAs use quota systems to force employees to  
16 process disputes hastily and without the oppor-  
17 tunity for conducting meaningful investigations.  
18 At least one nationwide CRA only allowed dis-  
19 pute resolution staff 5 minutes to handle a con-  
20 sumer’s call. Furthermore, these CRAs were  
21 found to have awarded bonuses for meeting  
22 quotas and punished those who didn’t meet pro-  
23 duction numbers with probation.

24 (R) Unlike most other business relation-  
25 ships, where consumers can register their satis-

1           faction or unhappiness with a particular credit  
2           product or service simply by taking their busi-  
3           ness elsewhere, consumers have no say in  
4           whether their information is included in the  
5           CRAs databases and limited legal remedies to  
6           hold the CRAs accountable for inaccuracies or  
7           poor service.

8           (S) Accordingly, despite the existing statu-  
9           tory mandate for CRAs to follow reasonable  
10          procedures to assure the maximum possible ac-  
11          curacy of the information whenever they pre-  
12          pare consumer reports, numerous studies, the  
13          high volume of consumer complaints submitted  
14          to the Consumer Bureau about incorrect infor-  
15          mation on consumer reports, and supervisory  
16          activities by the Consumer Bureau demonstrate  
17          that CRAs continue to skirt their obligations  
18          under the law.

19          (2) INCORRECT INFORMATION ON CONSUMER  
20          REPORTS.—

21          (A) Consumers are entitled to dispute er-  
22          rors on their consumer reports with either the  
23          CRA, who issued the report, or directly with  
24          furnishers, who supplied the account informa-  
25          tion to the CRA, and request that mistakes be

1 deleted or removed. Consumers, who believe an  
2 investigation has not correctly resolved their  
3 dispute, however, have few options, other than  
4 requesting that a statement about the dispute  
5 be included with their future reports.

6 (B) CRAs have a statutory obligation  
7 under the FCRA to perform a reasonable inves-  
8 tigation by conducting a substantive and  
9 searching inquiry when a consumer disputes an  
10 item on their report. In doing so, CRAs must  
11 conduct an independent review about the accu-  
12 racy of any disputed item and cannot merely  
13 rely on a furnisher’s “rubber-stamp”  
14 verification of the integrity of the information  
15 they have provided to CRAs.

16 (C) In “Report to Congress Under Section  
17 319 of the Fair and Accurate Credit Trans-  
18 actions Act of 2003” released by the Federal  
19 Government in December 2012, found that 26  
20 percent of survey participants identified at least  
21 one potentially material error on their consumer  
22 reports, and 13 percent experienced a change in  
23 their credit score once the error was fixed.

24 (D) Consumer Bureau examiners have  
25 identified repeated deficiencies with the nation-

1 wide CRAs’ information collection. In the fall  
2 2019 “Supervisory Highlights”, the Consumer  
3 Bureau noted continued weaknesses with CRAs’  
4 methods and processes for assuring maximum  
5 possible accuracy in their reports. Examiners  
6 also found, with certain exceptions, no quality  
7 control policies and procedures in place to test  
8 consumer reports for accuracy.

9 (E) In its “Credit Reporting Complaint  
10 Snapshot” released in February 2014, the Con-  
11 sumer Bureau found that consumers were un-  
12 certain about the depth and validity of the in-  
13 vestigations performed about a disputed item.  
14 Consumers also expressed frustration that, even  
15 though they provided supporting materials that  
16 they believed demonstrated the inaccuracy of  
17 the information provided by furnishers, errors  
18 continued to remain on their reports.

19 (F) In the winter 2015 “Supervisory High-  
20 lights” released in March 2015, the Consumer  
21 Bureau reported that one or more nationwide  
22 CRAs failed to adequately fulfill their dispute-  
23 handling obligations, including by not for-  
24 warding to furnishers all relevant information  
25 found in letters and supporting documents sup-

1           plied by consumers when they submitted dis-  
2           putes failing to notify consumers that they had  
3           completed investigations, and not providing con-  
4           sumers with the results of the CRAs' reviews  
5           about their disputes.

6           (G) Consumer Bureau examiners also  
7           noted in the fall 2016 "Supervisory Highlights"  
8           released in October 2016 that one or more enti-  
9           ties failed to provide adequate guidance and  
10          training to staff about how to differentiate  
11          FCRA disputes from general customer inquir-  
12          ies, complaints, or debt validation requests.  
13          Consumer Bureau supervisors also directed one  
14          or more entities to develop and implement rea-  
15          sonable procedures to ensure that direct and in-  
16          direct disputes are appropriately logged, cat-  
17          egorized, and resolved.

18          (H) Consumers' increasing frustration  
19          about the difficulties of trying to fix credit re-  
20          porting errors, evidenced through the volume of  
21          consumer complaints related to errors sub-  
22          mitted to the Consumer Bureau, are also  
23          echoed in another Federal Government study  
24          issued in January 2015. In the "Report to Con-  
25          gress under Section 319 for the Fair and Accu-

1 rate Credit Transactions Act of 2003”, the  
2 study found that nearly 70 percent (84 people)  
3 of participants from a previous survey that had  
4 filed disputes with CRAs continued to believe  
5 that at least some of the disputed information  
6 remained inaccurate at the time of the follow-  
7 up survey. Despite these views, 50 percent (42  
8 people) of the survey participants decided to  
9 just give up trying to fix the errors, with only  
10 45 percent (38 people) of them planning to con-  
11 tinue to try to resolve their disputes.

12 (I) The consistently high volume of con-  
13 sumer complaints submitted to the Consumer  
14 Bureau about credit reporting errors, coupled  
15 with the largest CRAs’ repeated quality control  
16 weaknesses found by Consumer Bureau exam-  
17 iners, show that the nationwide CRAs have  
18 failed to establish and follow reasonable proce-  
19 dures to assure maximum accuracy of informa-  
20 tion and to conduct independent investigations  
21 of consumers’ disputes. These ongoing problems  
22 demonstrate the need for legislation to—

23 (i) enhance obligations on furnishers  
24 to substantiate information and require  
25 furnishers to keep records for the same

1 amount of time that adverse information  
2 about these accounts may appear on a per-  
3 son's consumer report;

4 (ii) eliminate CRAs' discretion to de-  
5 termine the relevancy of materials provided  
6 by consumers to support their dispute  
7 claims by instead requiring them to pass  
8 all material onto furnishers and elimi-  
9 nating CRA's discretion to deem some dis-  
10 putes frivolous or irrelevant when a con-  
11 sumer resubmits a claim that they believe  
12 has been inadequately resolved;

13 (iii) enhance educational content on  
14 CRAs' websites to improve consumers' un-  
15 derstanding of the dispute process and to  
16 make it easier for all consumers to initiate  
17 claims, including by providing these disclo-  
18 sures in other languages besides English;  
19 and

20 (iv) create a new consumer right to  
21 appeal reviews by CRAs and furnishers of  
22 the initial disputes.

23 (3) INJUNCTIVE RELIEF.—

24 (A) Despite the fact that the FCRA cur-  
25 rently provides implicit authority for injunctive



1 relief, consumers have been prevented from ex-  
2 exercising this right against CRAs. Legislation  
3 explicitly clarifying this right is intended to un-  
4 derscore congressional intent that injunctive re-  
5 lief should be viewed as a remedy available to  
6 consumers.

7 (B) Myriad findings by the courts, regu-  
8 lators, consumers, and consumer advocates  
9 make clear that CRAs have failed to establish  
10 adequate standards for the accuracy and com-  
11 pleteness of consumer reports, yet the nation-  
12 wide CRAs have demonstrated little willingness  
13 to voluntarily retool their policies and proce-  
14 dures to fix the problems.

15 (C) Providing courts with explicit authority  
16 to issue injunctive relief, by telling the CRAs to  
17 remedy unlawful practices and procedures,  
18 would further CRAs' mandate under the FCRA  
19 to assure the maximum possible accuracy and  
20 completeness of information contained on credit  
21 reports.

22 (D) Absent explicit authority to issue in-  
23 junctions, history suggests that the nationwide  
24 CRAs are likely to continue conducting business  
25 as usual in treating any monetary settlements

1 with individual consumers and fines imposed by  
2 State attorneys general and Federal regulators,  
3 simply as the “cost of doing business”.

4 (4) CREDIT SCORES.—

5 (A) While nationwide CRAs are required  
6 by law to supply consumers with a free copy of  
7 their credit report annually, they can charge  
8 consumers to obtain a credit score disclosure.

9 (B) Many consumers do not realize that  
10 they have more than just “one” credit score.  
11 Because the submission of credit information to  
12 CRAs is voluntary and not all furnishers submit  
13 information to every CRA, the information con-  
14 tained in a report also varies among CRAs. As  
15 a result, the credit score generated by each  
16 CRA is also likely to vary, resulting in poten-  
17 tially different credit decisions based on an  
18 evaluation of different credit reports obtained  
19 from different CRAs.

20 (C) A February 2015 Consumer Bureau  
21 report titled “Consumer Voices on Credit Re-  
22 ports and Scores” found that consumers had  
23 questions about what actions to take to improve  
24 their scores once they had seen them, sug-  
25 gesting that additional disclosures and edu-

1           cational content would be helpful to consumers.  
2           The Consumer Bureau found that consumers  
3           were confused by conflicting advice on how to  
4           improve their scores.

5           (D) That report also noted that consumers  
6           found the process for obtaining consumer re-  
7           ports and credit scores confusing. Consumers  
8           also were uncertain about whether, and under  
9           what circumstances, they could obtain a con-  
10          sumer report for free.

11          (5) PRIVATE EDUCATION LOANS.—

12          (A) The Consumer Bureau’s October 2014  
13          report titled “Annual Report of the CFPB Stu-  
14          dent Loan Ombudsman” noted many private  
15          education loan borrowers, who sought to nego-  
16          tiate a modified repayment plan when they were  
17          experiencing a period of financial distress, were  
18          unable to get assistance from their loan holders,  
19          which often resulting in them defaulting on  
20          their loans. This pattern resembles the dif-  
21          ficulty that a significant number of mortgage  
22          loan borrowers experienced when they sought to  
23          take responsible steps to work with their mort-  
24          gage loan servicer to avoid foreclosure during  
25          the Great Recession.

1           (B) Although private student loan holders  
2           may allow a borrower to postpone payments  
3           while enrolled in school full-time, many limit  
4           this option to a certain time period, usually 48  
5           to 66 months. This limited time period may not  
6           be sufficient for those who need additional time  
7           to obtain their degree or who want to continue  
8           their education by pursuing a graduate or profes-  
9           sional degree. The Consumer Bureau found  
10          that borrowers who were unable to make pay-  
11          ments often defaulted or had their accounts  
12          sent to collections before they were even able to  
13          graduate.

14           (6) DECEPTIVE PRACTICES AT CERTAIN PRO-  
15          PRIETARY EDUCATION INSTITUTIONS AND CAREER  
16          EDUCATION PROGRAMS.—

17           (A) NCLC cited the proliferation of law  
18           enforcement actions against many for-profit  
19           schools in its June 2014 report, titled “Ensuring  
20           Educational Integrity: 10 Steps to Improve  
21           State Oversight of For-profit Schools”, to dem-  
22           onstrate the pervasive problem in this sector of  
23           targeting low-income students with deceptive  
24           high-pressure sales techniques involving inflated  
25           job placement rates and misleading data on

1 graduate wages, and false representations about  
2 the transferability of credits and the employ-  
3 ability of graduates in occupations that require  
4 licensure. Student loan borrowers at these  
5 schools may be left with nothing but worthless  
6 credentials and large debt. Those who default  
7 on their student loans face years with damaged  
8 credit that will adversely impact their ability to  
9 rent or buy homes, purchase cars, and find em-  
10 ployment.

11 (B) The closure and bankruptcy of Corin-  
12 thian Colleges, which was found to have de-  
13 ceived students by steering them into high-in-  
14 terest student loans based on misleading grad-  
15 uation rates and employment data, is a good  
16 example of the problem. Even after its closure,  
17 many Corinthian students remained saddled  
18 with student loan debt, worthless degrees, and  
19 few prospects for employment.

20 (C) Attending a 2-year, for-profit college  
21 costs, on average, four times as much as at-  
22 tending a community college. Students at for-  
23 profit colleges represent only about 11 percent  
24 of the total higher education population but a  
25 startling 44 percent of all Federal student loan

1 defaults, according to the United States De-  
2 partment of Education (“DOE”).

3 (D) According to NCLC, a dispropor-  
4 tionate number of for-profit students are low-in-  
5 come and people of color. These schools target  
6 veterans, working parents, first-generation stu-  
7 dents, and non-English speaking students, who  
8 may be more likely than their public or private  
9 nonprofit school counterparts to drop out, incur  
10 enormous student debt, and default on this  
11 debt. In the 2011–2012 school year, 28 percent  
12 of African Americans and 15 percent of Latinos  
13 attending 4-year institutions were enrolled in a  
14 for-profit school, compared to 10 percent of  
15 Whites.

16 (E) As highlighted in a press release titled  
17 “Obama Administration Announces Final Rules  
18 to Protect Students from Poor-Performing Ca-  
19 reer College Programs”, that was issued by the  
20 DOE on October 30, 2014, “[t]oo often, stu-  
21 dents at career colleges—including thousands of  
22 veterans—are charged excessive costs, but don’t  
23 get the education they paid for. Instead, stu-  
24 dents in such programs are provided with poor  
25 quality training, often for low-wage jobs or in

1 occupations where there are simply no job op-  
2 portunities. They find themselves with large  
3 amounts of debt and, too often, end up in de-  
4 fault. In many cases, students are drawn into  
5 these programs with confusing or misleading in-  
6 formation.”.

7 (7) MEDICAL DEBT.—

8 (A) Research by the Consumer Bureau has  
9 found that the inclusion of medical collections  
10 on consumer reports has unfairly reduced con-  
11 sumers’ credit scores.

12 (B) The Consumer Bureau’s review of 5  
13 million anonymized credit files from September  
14 2011 to September 2013, for example, found  
15 that credit scores may underestimate a person’s  
16 creditworthiness by up to 10 points for those  
17 who owe medical debt, and may underestimate  
18 a person’s creditworthiness by up to 22 points  
19 after the medical debt has been paid. For con-  
20 sumers with lower credit scores, especially those  
21 on the brink of what is considered subprime, a  
22 10 to 22 point decrease in their credit scores  
23 can have a significant impact on their lives, in-  
24 cluding by affecting whether they are able to

1           qualify for credit and, if so, the terms and con-  
2           ditions under which it is extended to them.

3           (C) The Consumer Bureau found that half  
4           of all collections trade lines that appear on con-  
5           sumer reports are related to medical bills  
6           claimed to be owed to hospitals and other med-  
7           ical providers. These trade lines affect the re-  
8           ports of nearly one-fifth of all consumers in the  
9           credit reporting system.

10          (D) The Consumer Bureau has found that  
11          there are no objective or enforceable standards  
12          that determine when a debt can or should be  
13          reported as a collection trade line. Because debt  
14          buyers and collectors determine whether, when,  
15          and for how long to report a collection account,  
16          there is only a limited relationship between the  
17          time period reported, the severity of a delin-  
18          quency, and when or whether a collection trade  
19          line appears on a consumer's credit report.

20          (E) Medical bills can be complex and con-  
21          fusing for many consumers, which results in  
22          consumers' uncertainty about what they owe, to  
23          whom, when, or for what, that may cause some  
24          people, who ordinarily pay their bills on time, to  
25          delay or withhold payments on their medical



1 debts. This uncertainty can also result in med-  
2 ical collections appearing on consumer reports.  
3 In a December 2014 report titled “Consumer  
4 Credit Reports: A Study of Medical and Non-  
5 Medical Collections”, the Consumer Bureau  
6 found that a large portion of consumers with  
7 medical collections show no other evidence of fi-  
8 nancial distress and are consumers who ordi-  
9 narily pay their other financial obligations on  
10 time. Unlike with most credit products or serv-  
11 ices, such as credit cards, installment loans,  
12 utilities, or wireless or cable services that have  
13 contractual account disclosures describing the  
14 terms and conditions of use, most consumers  
15 are not told what their out-of-pocket medical  
16 costs will be in advance. Consumers needing ur-  
17 gent or emergency care rarely know, or are pro-  
18 vided, the cost of a medical treatment or proce-  
19 dure before the service is rendered.

20 (F) The Consumer Bureau concluded that  
21 the presence of medical collections is less pre-  
22 dictive of future defaults or serious delin-  
23 quencies than the presence of a nonmedical col-  
24 lection in a study titled “Data Point: Medical  
25 Debt and Credit Scores”, issued in May 2014.

1 (G) FICO’s latest credit scoring model,  
2 “FICO 9”, changes the treatment of paid col-  
3 lections to disregard any collection matters that  
4 the consumer has paid in full. FICO 9, how-  
5 ever, is not yet widely used by lenders.

6 (H) VantageScore’s latest credit scoring  
7 model, “VantageScore 4.0”, will be available in  
8 the fall of 2017. This model will penalize med-  
9 ical collections less than non-medical ones.

10 (I) The three nationwide CRAs entered  
11 into a settlement agreement with the New York  
12 State attorney general in 2015 to address defi-  
13 ciencies in their dispute resolution process and  
14 enhance the accuracy of items on reports. These  
15 policy changes will be implemented in a three-  
16 phased rollout, culminating by June 2018. Sub-  
17 sequently, these CRAs entered into a coopera-  
18 tive agreement with 31 State Attorneys Gen-  
19 eral, which was the basis of the creation of the  
20 National Consumer Assistance Plan (“NCAP”)  
21 to change some of their business practices.

22 (J) While the CRAs appear to be volun-  
23 tarily adopting policy changes on a nationwide  
24 basis, they are not obligated to do so for con-

1           sumers who reside in States that are not party  
2           to any of the consent orders.

3           (K) As a result of the settlement agree-  
4           ments, the three nationwide CRAs will set a  
5           180-day waiting period before including medical  
6           collections on a report and will remove a med-  
7           ical collection from a report once it is paid by  
8           an insurance company. While this change will  
9           benefit many, once a medical collection appears  
10          on a report, it will only be deleted or suppressed  
11          if it is found to have been the insurance com-  
12          pany's obligation to pay and the insurer pays it.  
13          Given the research showing there is little pre-  
14          dictive value in medical debt information, med-  
15          ical collections that are paid or settled should  
16          quickly be removed from a report, regardless of  
17          who pays or settles this debt.

18          (8) FINANCIAL ABUSE BY KNOWN PERSONS.—

19          (A) Financial abuse and exploitation are  
20          frequently associated with domestic violence.  
21          This type of abuse may result in fraudulent  
22          charges to a credit card or having fraudulent  
23          accounts created by the abuser in the survivor's  
24          name that could affect ratings by CRAs. Finan-  
25          cial abuse may also result in the survivor's in-

1 ability to make timely payments on their valid  
2 obligations due to loss or changes in income  
3 that can occur when their abuser steals from or  
4 coerces the survivor to relinquish their pay-  
5 checks or savings that could affect ratings by  
6 CRAs.

7 (B) By racking up substantial debts in the  
8 survivor's name, abusers are able to exercise fi-  
9 nancial control over their survivors to make it  
10 economically difficult for the survivor, whose  
11 credit is often destroyed, to escape the situa-  
12 tion.

13 (C) Domestic abuse survivors with poor  
14 credit are likely to face significant obstacles in  
15 establishing financial independence from their  
16 abusers. This can be due, in part, because con-  
17 sumer reports may be used when a person at-  
18 tempts to obtain a checking account, housing,  
19 insurance, utilities, employment, and even a se-  
20 curity clearance as required for certain jobs.

21 (D) Providing documentation of identity  
22 ("ID") theft in order to dispute information on  
23 one's consumer report can be particularly chal-  
24 lenging for those who know their financial  
25 abuser.

1 (E) While it is easier for consumers who  
2 obtain a police report to remove fraudulent in-  
3 formation from their consumer report and pre-  
4 vent it from reappearing in the future, accord-  
5 ing to the Empire Justice Center, safety and  
6 other noncredit concerns may impact the capac-  
7 ity of a survivor of financial abuse committed  
8 by a known person to turn to law enforcement  
9 to get a police report.

10 (F) According to the Legal Aid Society in  
11 New York, domestic abuse survivors, seeking to  
12 remove adverse information stemming from fi-  
13 nancial abuse by contacting their furnishers di-  
14 rectly, are likely to face skepticism about claims  
15 of ID theft perpetrated by a partner because of  
16 an assumption that they are aware of, and may  
17 have been complicit in, the activity which the  
18 survivor alleges stems from financial abuse.

19 (9) DECEPTIVE AND MISLEADING MARKETING  
20 PRACTICES.—

21 (A) The Consumer Bureau’s February  
22 2015 report titled “Consumer Voices on Credit  
23 Reports and Scores” found that some con-  
24 sumers did not obtain a copy of their consumer  
25 report due to concerns about security or of

1 being trapped into purchasing unwanted prod-  
2 ucts like an additional report or a credit moni-  
3 toring service.

4 (B) In January 2017, the Consumer Bu-  
5 reau fined TransUnion and Equifax for decep-  
6 tively marketing credit scores for purchase by  
7 consumers as the same credit scores typically  
8 used by lenders to determine creditworthiness  
9 and for luring consumers into costly subscrip-  
10 tion services that were advertised as “free” or  
11 “\$1” that automatically charged recurring fees  
12 unless cancelled by consumers. The Consumer  
13 Bureau also found that Equifax was illegally  
14 advertising its products on webpages that con-  
15 sumers accessed through  
16 AnnualCreditReport.com before consumers ob-  
17 tained their free disclosures. Because of these  
18 troubling practices, TransUnion was ordered to  
19 pay \$13.9 million in restitution to harmed con-  
20 sumers and a civil penalty of \$3 million to the  
21 Consumer Bureau. Equifax was ordered to pay  
22 more than \$3.7 million to affected consumers  
23 as well as a civil money penalty of \$2.5 million  
24 to the Consumer Bureau. As part of the con-  
25 sent orders, the CRAs are also supposed to

1 change the way that they sell their products to  
2 consumers. The CRAs must also obtain con-  
3 sumers' express consent before enrolling them  
4 into subscription services as well as make it  
5 easier for consumers to cancel these programs.

6 (C) The Consumer Bureau fined the other  
7 nationwide CRA—Experian—in March 2017  
8 for deceiving consumers about the use of credit  
9 scores that it marketed and sold to consumers  
10 as credit scores that were used by lenders and  
11 for illegally advertising its products on web  
12 pages that consumers accessed through  
13 AnnualCreditReport.com before they obtained  
14 their free annual disclosures. Experian was or-  
15 dered to pay more than \$3.7 million in restitu-  
16 tion to harmed consumers and a civil monetary  
17 penalty of \$2.5 million to the Consumer Bu-  
18 reau.

19 (D) The Consumer Bureau's January and  
20 March 2017 consent orders with the three na-  
21 tionwide CRAs show that these CRAs have en-  
22 ticed consumers into purchasing products and  
23 services that they may not want or need, in  
24 some instances by advertising products or serv-  
25 ices “free” that automatically converted into an

1 ongoing subscription service at the regular price  
2 unless cancelled by the consumer. Although  
3 these CRAs must now change their deceptive  
4 marketing practices, codifying these duties is an  
5 appropriate way to ensure that these companies  
6 never revert back to such misleading tactics.

7 (E) Given the ubiquitous use of consumer  
8 reports in consumers' lives and the fact that  
9 consumers' participation in the credit reporting  
10 system is involuntary, CRAs should also  
11 prioritize providing consumers with the effective  
12 means to safeguard their personal and financial  
13 information and improve their credit standing,  
14 rather than seeking to exploit consumers' con-  
15 cerns and confusion about credit reporting and  
16 scoring, to boost their companies' profits.

17 (F) Vulnerable consumers, who have legiti-  
18 mate concerns about the security of their per-  
19 sonal and financial information, deserve clear,  
20 accurate, and transparent information about  
21 the credit reporting tools that may be available  
22 to them, such as fraud alerts and freezes.

23 (10) CLARITY IN CREDIT SCORING.—

24 (A) The February 2015 report of the Bu-  
25 reau of Consumer Financial Protection titled



1 “Consumer Voices on Credit Reports and  
2 Scores” found that some consumers are reluc-  
3 tant to comparison shop for loans and other  
4 types of consumer credit products out of fear  
5 that they will lower their credit scores by doing  
6 so.

7 (B) The Consumer Bureau found that one  
8 of the most common barriers for people in re-  
9 viewing their own credit reports and shopping  
10 for the best credit terms was a lack of under-  
11 standing of the differences between “soft” and  
12 “hard” inquiries and whether requesting a copy  
13 of their own report would adversely impact their  
14 credit standing.

15 (C) The Bureau of Consumer Financial  
16 Protection revealed that consumers with accu-  
17 rate perceptions of their creditworthiness may  
18 be better equipped to shop for favorable credit  
19 terms.

20 (11) CREDIT CHECKS AND EMPLOYMENT DECI-  
21 SIONS.—

22 (A) The use of consumer reports as a fac-  
23 tor in making hiring decisions has been found  
24 to be prevalent in a diverse array of occupa-

1           tions, and is not limited to certain high-level  
2           management or executive positions.

3           (B) According to the California Labor  
4           Federation, only 25 percent of employers re-  
5           searched the credit history of job applicants in  
6           1998. However, this practice had increased to  
7           43 percent by 2006 and to 60 percent by 2011.

8           (C) A study titled “Do Job Applicant  
9           Credit Histories Predict Job Performance Ap-  
10          praisal Ratings or Termination Decisions?”,  
11          published in 2012, found that, while credit his-  
12          tory might conceptually measure a person’s  
13          level of responsibility, ability to meet deadlines,  
14          dependability, or integrity, it does not, in prac-  
15          tice, actually predict an employee’s performance  
16          or likelihood to quit. Credit reports contain  
17          many inaccuracies and credit history can be  
18          contaminated by events that are sometimes out-  
19          side a person’s control, such as a sudden med-  
20          ical expense after an accident or the loss of a  
21          job during an economic downturn. The study  
22          found that there is no benefit from using credit  
23          history to predict job performance or turnover.

24          (D) Despite the absence of data showing a  
25          correlation between job performance and credit-

1           worthiness, employers continue to use credit  
2           checks as a proxy for assessing character and  
3           integrity. According to a 2012 Society for  
4           Human Resource Management survey, organi-  
5           zations indicated that they used credit checks  
6           on job candidates primarily to reduce or prevent  
7           theft and embezzlement and to minimize legal  
8           liability for negligent hiring.

9           (E) The use of credit checks for employ-  
10          ment purposes creates a true “catch-22” for  
11          unemployed people with impaired credit. For  
12          example, the financial hardship caused by losing  
13          a job may cause some unemployed individuals  
14          to make late or partial payments on their bills,  
15          but their poor credit standing caused by this  
16          negative information on their consumer report  
17          can also impede their chances of obtaining a  
18          new job to end their financial distress.

19          (F) A September 2014 report by the New  
20          York City Council’s Committee on Civil Rights  
21          noted that, for those who have been unemployed  
22          for an extended period of time and whose credit  
23          has suffered as they fell behind on bills, the use  
24          of credit reports in the hiring process can exac-

1           erbate and perpetuate an already precarious sit-  
2           uation.

3           (G) In a March 2013 Demos report titled  
4           “Discredited: How Employment Credit Checks  
5           Keep Out Qualified Workers Out of a Job”, one  
6           in four survey participants who were unem-  
7           ployed said that a potential employer had re-  
8           quested to check their credit report as part of  
9           a job application. Among job applicants with  
10          blemished credit histories in the survey, one in  
11          seven had been told that they were not being  
12          hired because of their credit history.

13          (H) While job applicants must give prior  
14          approval for a prospective employer to pull their  
15          credit reports under the FCRA, this authoriza-  
16          tion, as a practical matter, does not constitute  
17          an effective consumer protection because an  
18          employer may reject any job applicant who re-  
19          fuses a credit check.

20          (I) Some negative information on a report  
21          may stem from uncontrollable circumstances, or  
22          significant life events in a consumer’s life, such  
23          as a medical crisis or a divorce. Demos found  
24          that poor credit is associated with household  
25          unemployment, lack of health coverage, and

1 medical debt, which are factors that reflect eco-  
2 nomic conditions in the country and personal  
3 misfortune that have little relationship with how  
4 well a job applicant would perform at work.

5 (J) In October 2011, FICO noted that  
6 from 2008 to 2009 approximately 50 million  
7 people experienced a 20-point drop in their  
8 credit scores and about 21 million saw their  
9 scores decline by more than 50 points. While  
10 the Great Recession reduced many consumers'  
11 credit scores due to foreclosures and other fi-  
12 nancial hardships, the financial crisis had a  
13 particularly harsh impact on African Americans  
14 and Latinos, as racial and ethnic minorities and  
15 communities of color were frequently targeted  
16 by predatory mortgage lenders who steered bor-  
17 rowers into high-cost subprime loans, even when  
18 these borrowers would have qualified for less  
19 costly prime credit.

20 (K) A May 2006 Brookings Institution re-  
21 port titled "Credit Scores, Reports, and Getting  
22 Ahead in America" found that counties with a  
23 relatively higher proportion of racial and ethnic  
24 minorities in the United States tended to have  
25 lower credit scores compared with counties that

1 had a lower concentration of communities of  
2 color.

3 (L) Studies have consistently found that  
4 African American and Latino households tend,  
5 on average, to have lower credit scores than  
6 White households. The growing use of credit  
7 checks, therefore, may disproportionately screen  
8 otherwise qualified racial and ethnic minorities  
9 out of jobs, leading to discriminatory hiring  
10 practices, and further exacerbating the trend  
11 where unemployment for African American and  
12 Latino communities is elevated well above the  
13 rate of Whites.

14 (M) A 2012 Demos survey found that 65  
15 percent of White respondents reported having  
16 good or excellent credit scores while over half of  
17 African American households reported only hav-  
18 ing fair or bad credit.

19 (12) DECEPTIVE AND MISLEADING MARKETING  
20 PRACTICES.—

21 (A) The Consumer Bureau’s February  
22 2015 report titled “Consumer Voices on Credit  
23 Reports and Scores” found that some con-  
24 sumers did not obtain a copy of their consumer  
25 report due to concerns about security or of

1 being trapped into purchasing unwanted prod-  
2 ucts like an additional report or a credit moni-  
3 toring service.

4 (B) In January 2017, the Consumer Bu-  
5 reau fined TransUnion and Equifax for decep-  
6 tively marketing credit scores for purchase by  
7 consumers as the same credit scores typically  
8 used by lenders to determine creditworthiness  
9 and for luring consumers into costly subscrip-  
10 tion services that were advertised as “free” or  
11 “\$1” that automatically charged recurring fees  
12 unless cancelled by consumers. The Consumer  
13 Bureau also found that Equifax was illegally  
14 advertising its products on webpages that con-  
15 sumers accessed through  
16 AnnualCreditReport.com before consumers ob-  
17 tained their free disclosures. Because of these  
18 troubling practices, TransUnion was ordered to  
19 pay \$13.9 million in restitution to harmed con-  
20 sumers and a civil penalty of \$3 million to the  
21 Consumer Bureau. Equifax was ordered to pay  
22 more than \$3.7 million to affected consumers  
23 as well as a civil money penalty of \$2.5 million  
24 to the Consumer Bureau. As part of the con-  
25 sent orders, the CRAs are also supposed to

1 change the way that they sell their products to  
2 consumers. The CRAs must also obtain con-  
3 sumers' express consent before enrolling them  
4 into subscription services as well as make it  
5 easier for consumers to cancel these programs.

6 (C) The Consumer Bureau fined the other  
7 nationwide CRA—Experian—in March 2017  
8 for deceiving consumers about the use of credit  
9 scores that it marketed and sold to consumers  
10 as credit scores that were used by lenders and  
11 for illegally advertising its products on web  
12 pages that consumers accessed through  
13 AnnualCreditReport.com before they obtained  
14 their free annual disclosures. Experian was or-  
15 dered to pay more than \$3.7 million in restitu-  
16 tion to harmed consumers and a civil monetary  
17 penalty of \$2.5 million to the Consumer Bu-  
18 reau.

19 (D) The Consumer Bureau's January and  
20 March 2017 consent orders with the three na-  
21 tionwide CRAs show that these CRAs have en-  
22 ticed consumers into purchasing products and  
23 services that they may not want or need, in  
24 some instances by advertising products or serv-  
25 ices "free" that automatically converted into an



1 ongoing subscription service at the regular price  
2 unless cancelled by the consumer. Although  
3 these CRAs must now change their deceptive  
4 marketing practices, codifying these duties is an  
5 appropriate way to ensure that these companies  
6 never revert back to such misleading tactics.

7 (E) Given the ubiquitous use of consumer  
8 reports in consumers' lives and the fact that  
9 consumers' participation in the credit reporting  
10 system is involuntary, CRAs should also  
11 prioritize providing consumers with the effective  
12 means to safeguard their personal and financial  
13 information and improve their credit standing,  
14 rather than seeking to exploit consumers' con-  
15 cerns and confusion about credit reporting and  
16 scoring, to boost their companies' profits.

17 (F) Vulnerable consumers, who have legiti-  
18 mate concerns about the security of their per-  
19 sonal and financial information, deserve clear,  
20 accurate, and transparent information about  
21 the credit reporting tools that may be available  
22 to them, such as fraud alerts and freezes.

23 (13) PROTECTIONS FOR CONSUMERS' CREDIT  
24 INFORMATION.—

1 (A) Despite heightened awareness, inci-  
2 dents of ID theft continue to rise. In February  
3 2015, the Federal Government reported that ID  
4 theft was the top consumer complaint that it  
5 received for the 15th consecutive year. As these  
6 incidents increase, consumers experience signifi-  
7 cant financial loss and emotional distress from  
8 the inability to safeguard effectively and inex-  
9 pensively their credit information from bad ac-  
10 tors.

11 (B) According to a Carnegie Mellon study,  
12 children are 50 times more likely than adults to  
13 have their identities stolen. Child identities are  
14 valuable to thieves because most children do not  
15 have existing files, and their parents may not  
16 notice fraudulent activity until their child ap-  
17 plies for a student loan, a job, or a credit card.  
18 As a result, the fraudulent activity of the bad  
19 actors may go undetected for years.

20 (C) Despite the increasing incidents of  
21 children's ID theft, parents who want to  
22 proactively prevent their children from having  
23 their identity stolen, may not be able to do so.  
24 Only one of the three nationwide CRAs cur-  
25 rently allows parents from any State to set up

1 a freeze for a minor child. At the other two na-  
2 tionwide CRAs, parents can only obtain a freeze  
3 after a child has become an ID theft victim be-  
4 cause, it is only at this point, that these CRAs  
5 have an existing credit file for the child. While  
6 many States have enacted laws to address this  
7 problem, there is no existing Federal law.

8 (D) According to Javelin Strategy &  
9 Research's 2015 Identity Fraud study, \$16 bil-  
10 lion was stolen by fraudsters from 12.7 million  
11 American consumers in 2014. Similarly, the  
12 United States Department of Justice found an  
13 estimated 7 percent of all residents age 16 or  
14 older (about 17.6 million persons) in this coun-  
15 try were victims of one or more incidents of ID  
16 theft in 2014, and the number of elderly victims  
17 age 65 or older (about 86 percent) increased  
18 from 2.1 million in 2012 to 2.6 million in 2014.

19 (E) Consumers frequently express concern  
20 about the security of their financial informa-  
21 tion. According to a 2015 MasterCard survey,  
22 a majority of consumers (77 percent) have anx-  
23 iety about the possibility that their financial in-  
24 formation and Social Security numbers may be  
25 stolen or compromised, with about 55 percent

1 of consumers indicating that they would rather  
2 have naked pictures of themselves leaked online  
3 than have their financial information stolen.

4 (F) That survey also revealed that con-  
5 sumers' fears about the online security of their  
6 financial information even outweighed con-  
7 sumers' worries about other physical security  
8 dangers such as having their houses robbed (59  
9 percent) or being pickpocketed (46 percent).

10 (G) According to Consumer Reports,  
11 roughly 50 million American consumers spent  
12 about \$3.5 billion in 2010 to purchase products  
13 aimed at protecting their identity, with the an-  
14 nual cost of these services ranging from \$120  
15 to \$300. As risks to consumers' personal and fi-  
16 nancial information continue to grow, con-  
17 sumers need additional protections to ensure  
18 that they have fair and reasonable access to the  
19 full suite of ID theft and fraud prevention  
20 measures that may be right for them.

21 **SEC. 4. EFFECTIVE DATE.**

22 Except as otherwise specified, the amendments made  
23 by this Act shall take effect 2 years after the date of the  
24 enactment of this Act.

1 **SEC. 5. DISCRETIONARY SURPLUS FUND.**

2 (a) IN GENERAL.—The dollar amount specified  
 3 under section 7(a)(3)(A) of the Federal Reserve Act (12  
 4 U.S.C. 289(a)(3)(A)) is reduced by \$26,000,000 (in-  
 5 creased by \$1,000,000) (increased by \$1,000,000) (in-  
 6 creased by \$15,000,000).

7 (b) EFFECTIVE DATE.—The amendment made by  
 8 subsection (a) shall take effect on September 30, 2029.

9 **TITLE I—IMPROVEMENTS TO**  
 10 **THE DISPUTE PROCESS**

11 **SEC. 101. DISPUTE PROCEDURES AND DISCLOSURES RE-**  
 12 **LATING TO REINVESTIGATIONS.**

13 (a) IN GENERAL.—Section 611(a) of the Fair Credit  
 14 Reporting Act (15 U.S.C. 1681i(a)) is amended to read  
 15 as follows:

16 “(a) REINVESTIGATIONS OF DISPUTED INFORMA-  
 17 TION BY A CONSUMER REPORTING AGENCY.—

18 “(1) REINVESTIGATIONS REQUIRED.—

19 “(A) IN GENERAL.—Subject to subsection  
 20 (f), if the completeness or accuracy of any item  
 21 of information contained in a consumer’s file at  
 22 a consumer reporting agency is disputed by the  
 23 consumer and the consumer notifies the agency  
 24 (either directly or indirectly through a reseller  
 25 or an authorized third party) of such dispute,  
 26 the agency shall, free of charge—

1           “(i) conduct a reasonable reinvestiga-  
2           tion using the process described in para-  
3           graph (3) to determine whether the dis-  
4           puted information is inaccurate, incom-  
5           plete, or cannot be verified;

6           “(ii) notify the consumer that a nota-  
7           tion described in section 605(e) will be  
8           added to the consumer’s file until the re-  
9           investigation has been completed and that  
10          such notation can be removed at the re-  
11          quest of the consumer; and

12          “(iii) before the end of the 30-day pe-  
13          riod beginning on the date on which the  
14          consumer reporting agency receives the no-  
15          tice of the dispute from the consumer or  
16          the reseller—

17                  “(I) record the current status of  
18                  the disputed information; or

19                  “(II) delete or modify the item in  
20                  accordance with paragraph (3)(D).

21          “(B) EXTENSION OF PERIOD TO REINVESTIGATE.—Except as provided in subparagraph  
22          (C), the 30-day period described in subpara-  
23          graph (A) may be extended for period not to ex-  
24          ceed 15 days if the consumer reporting agency  
25

1 receives additional information from the con-  
2 sumer or the reseller regarding the dispute  
3 after the date on which the consumer reporting  
4 agency notified any person who provided any  
5 item of information in dispute under paragraph  
6 (2)(A).

7 “(C) LIMITATIONS ON EXTENSION OF PE-  
8 RIOD TO REINVESTIGATE.—Subparagraph (B)  
9 shall not apply to any reinvestigation in which,  
10 during the 30-day period described in subpara-  
11 graph (A), the disputed information is found to  
12 be inaccurate or incomplete, or the consumer  
13 reporting agency determines that the disputed  
14 information cannot be verified.

15 “(2) PROMPT NOTICE OF DISPUTE TO FUR-  
16 NISHER OF INFORMATION; PROVISION OF INFORMA-  
17 TION REGARDING DISPUTE PROVIDED BY THE CON-  
18 SUMER OR RESELLER.—

19 “(A) IN GENERAL.—Before the end of the  
20 period of 5 business days beginning on the date  
21 on which a consumer reporting agency receives  
22 notice of a dispute from any consumer or re-  
23 seller under paragraph (1)(A), the consumer re-  
24 porting agency shall provide notification of the  
25 dispute to any person who provided any item of

1 information in dispute, at the address and in  
2 the manner established with such person. The  
3 notice shall include all information, including  
4 substantiating documents, regarding the dispute  
5 that was submitted to the consumer reporting  
6 agency.

7 “(B) PROVISION OF ADDITIONAL INFORMA-  
8 TION REGARDING DISPUTE AFTER NOTIFICA-  
9 TION TO THE FURNISHER OF INFORMATION.—

10 If a consumer reporting agency receives addi-  
11 tional information regarding the dispute from  
12 the consumer or reseller after the agency pro-  
13 vides the notification described under subpara-  
14 graph (A) and before the end of the 30-day pe-  
15 riod described in paragraph (1)(A), the con-  
16 sumer reporting agency shall, not later than 3  
17 business days after receiving such information,  
18 provide such information to the person who pro-  
19 vided the information in dispute.

20 “(3) REASONABLE STANDARDS FOR CONSUMER  
21 REPORTING AGENCIES FOR CONDUCTING REINVES-  
22 TIGATIONS AND RESOLVING DISPUTES SUBMITTED  
23 BY CONSUMERS.—



1           “(A) IN GENERAL.—In conducting a re-  
2 investigation of disputed information, a con-  
3 sumer reporting agency shall, at a minimum—

4           “(i) maintain sufficient resources and  
5 trained staff, commensurate with the vol-  
6 ume and complexity of disputes received or  
7 reasonably anticipated to be received, to  
8 determine whether the disputed informa-  
9 tion is accurate, complete, or can be  
10 verified by the person who provided the in-  
11 formation;

12           “(ii) ensure that all staff involved at  
13 any level of the reinvestigation process, in-  
14 cluding any individual with ultimate au-  
15 thority over determining whether the dis-  
16 puted information is inaccurate, incom-  
17 plete, or cannot be verified, are located  
18 within the United States;

19           “(iii) verify that the personally identi-  
20 fiable information of the consumer submit-  
21 ting the dispute matches the personally  
22 identifiable information contained in the  
23 consumer’s file, and that such information  
24 is accurate and complete;

1                   “(iv) verify that the consumer report-  
2                   ing agency has a record of the information  
3                   being disputed; and

4                   “(v) conduct a reasonable review that  
5                   considers all information, including sub-  
6                   stantiating documents, provided by the  
7                   consumer or reseller.

8                   “(B) CONSUMER REPORTING.—The con-  
9                   sumer reporting agency shall not impose any  
10                  limitation or otherwise impede the ability of a  
11                  consumer to submit information about the dis-  
12                  puted item.

13                  “(C) INDEPENDENT ANALYSIS.—The re-  
14                  investigation conducted under subparagraph  
15                  (A) shall be an independent analysis, separate  
16                  from any investigation by a reseller or a person  
17                  who provided the disputed information.

18                  “(D) DELETION OR MODIFICATION OF IN-  
19                  FORMATION CONTAINED IN A CONSUMER  
20                  FILE.—If the disputed information is found to  
21                  be inaccurate, incomplete, or cannot be verified,  
22                  the dispute resolution staff of the consumer re-  
23                  porting agency shall have the direct authority to  
24                  delete or modify such information in the con-  
25                  sumer’s file, as appropriate, during the 30-day

1 period described in paragraph (1)(A), shall  
2 promptly notify the consumer of the results of  
3 the reinvestigation as described in paragraph  
4 (4), and shall promptly notify any person who  
5 provided such information to the consumer re-  
6 porting agency of the modification or deletion  
7 made to the consumer’s file.

8 “(4) NOTICE TO CONSUMER OF RESULTS OF  
9 REINVESTIGATION.—

10 “(A) IN GENERAL.—Not later than 5 busi-  
11 ness days after the conclusion of a reinvestiga-  
12 tion conducted under this subsection, the con-  
13 sumer reporting agency shall provide written  
14 notice to the consumer of the results of the re-  
15 investigation by postal mail or, if authorized by  
16 the consumer for that purpose, by other means  
17 available to the agency.

18 “(B) CONTENTS OF NOTICE TO CONSUMER  
19 OF RESULTS OF REINVESTIGATION.—The notice  
20 described in subparagraph (A) shall include—

21 “(i) a statement that the reinvestiga-  
22 tion of the disputed information has been  
23 completed;

24 “(ii) a statement informing the con-  
25 sumer as to whether the disputed informa-

1           tion was determined to be inaccurate, in-  
2           complete, or unverifiable, including a state-  
3           ment of the specific reasons supporting the  
4           determination;

5           “(iii) if information in the consumer’s  
6           file has been deleted or modified as a re-  
7           sult of the reinvestigation—

8           “(I) a copy of the consumer re-  
9           port and credit score or educational  
10          score (if applicable) that is based  
11          upon the consumer’s revised file;

12          “(II) a statement identifying the  
13          specific information from the con-  
14          sumer’s file that was deleted or modi-  
15          fied because such information was de-  
16          termined to be inaccurate, incomplete,  
17          or unverifiable by the consumer re-  
18          porting agency;

19          “(III) a statement that the con-  
20          sumer has the right, free of charge, to  
21          obtain an additional consumer report  
22          and credit score or educational credit  
23          score (if applicable) within the 12-  
24          month period following the date of the  
25          conclusion of the reinvestigation, re-

1            regardless of whether the consumer ob-  
2            tained or will obtain a free annual  
3            consumer report and credit score or  
4            educational score (if applicable) under  
5            section 612; and

6            “(IV) a statement that the con-  
7            sumer has the right, free of charge, to  
8            request under subsection (d) that the  
9            consumer reporting agency furnish  
10           notifications of the consumer’s revised  
11           report;

12           “(iv) a description of the procedure  
13           used by the dispute resolution staff of the  
14           consumer reporting agency to determine  
15           the accuracy or completeness of the infor-  
16           mation, including the business name, mail-  
17           ing address, telephone number, and Inter-  
18           net website address (if available) of any  
19           person who provided information who was  
20           contacted by the staff in connection with  
21           the determination;

22           “(v) a statement that the consumer  
23           has the right, free of charge, to add a nar-  
24           rative statement to the consumer’s file dis-  
25           puting the accuracy or completeness of the

1 information, regardless of the results of  
2 the reinvestigation by the agency, and the  
3 process for submitting such a narrative  
4 pursuant to subsection (b);

5 “(vi) a copy of all information relating  
6 to the consumer that was used by the con-  
7 sumer reporting agency in carrying out the  
8 reinvestigation and relied upon as the basis  
9 for the determination about the accuracy  
10 and completeness of the disputed informa-  
11 tion;

12 “(vii) a statement that a consumer  
13 may, free of charge, challenge the results  
14 of the reinvestigation by appeal within 120  
15 days after the date the notice of the results  
16 of the reinvestigation was provided to the  
17 consumer and the process for submitting  
18 an appeal;

19 “(viii) a statement informing the con-  
20 sumer that a notation described in section  
21 605(e) will be added to the file of the con-  
22 sumer during the period in which the con-  
23 sumer appeals the results of a reinvestiga-  
24 tion and that such notation can be re-  
25 moved at the request of the consumer; and

1                   “(ix) any other information, as deter-  
2                   mined by the Bureau.

3                   “(5) REQUIREMENTS RELATING TO REINSER-  
4                   TION OF PREVIOUSLY DELETED OR MODIFIED MATE-  
5                   RIAL.—

6                   “(A) CERTIFICATION OF NEW DETERMINA-  
7                   TION THAT ITEM IS ACCURATE OR COM-  
8                   plete.—A consumer reporting agency may not  
9                   reinsert into a consumer’s file any information  
10                  that was previously deleted or modified pursu-  
11                  ant to paragraph (3)(D), unless the person who  
12                  provided the information—

13                  “(i) requests that the consumer re-  
14                  porting agency reinsert such information;

15                  “(ii) submits a written certification  
16                  that the information is accurate and com-  
17                  plete; and

18                  “(iii) provides a statement describing  
19                  the specific reasons why the information  
20                  should be inserted.

21                  “(B) NOTICE TO CONSUMER BEFORE RE-  
22                  INSERTION CAN OCCUR.—Upon receipt of a re-  
23                  quest for reinsertion of disputed information  
24                  under subparagraph (A), the consumer report-  
25                  ing agency shall, not later than 5 business days

1 before the consumer reporting agency reinserts  
2 the information into the consumer’s file, notify  
3 the consumer in writing of such request for re-  
4 insertion. Such notice shall include—

5 “(i) the business name, mailing ad-  
6 dress, telephone number, and Internet  
7 website address (if available) of any person  
8 who provided information to or contacted  
9 the consumer reporting agency in connec-  
10 tion with the reinsertion;

11 “(ii) a copy of the information relat-  
12 ing to the consumer, the certification that  
13 the information is accurate or complete,  
14 and the statement of the reasons sup-  
15 porting reinsertion provided by the person  
16 who provided the information to the con-  
17 sumer reporting agency under subpara-  
18 graph (A);

19 “(iii) a statement that the consumer  
20 may obtain, free of charge and within the  
21 12-month period following the date the no-  
22 tice under this subparagraph was issued, a  
23 consumer report and credit score or edu-  
24 cational score (if applicable) from the con-  
25 sumer reporting agency that includes the



1           reinserted information, regardless of  
2           whether the consumer obtained or will ob-  
3           tain a free annual consumer report and  
4           credit score or educational credit score (if  
5           applicable) under section 612;

6           “(iv) a statement that the consumer  
7           may appeal the determination that the pre-  
8           viously deleted or modified information is  
9           accurate or complete and a description of  
10          the procedure for the consumer to make  
11          such an appeal pursuant to subsection (i);  
12          and

13          “(v) a statement that the consumer  
14          has the right to add a narrative statement,  
15          free of charge, to the consumer’s file dis-  
16          puting the accuracy or completeness of the  
17          disputed information and a description of  
18          the process to add such a narrative state-  
19          ment pursuant to subsection (b).

20          “(6) EXPEDITED DISPUTE RESOLUTION.—If a  
21          consumer reporting agency determines that the in-  
22          formation provided by the consumer is sufficient to  
23          substantiate that the item of information is inac-  
24          curate, incomplete, or cannot be verified by the per-  
25          son who furnished such information, and the con-

1 consumer reporting agency deletes or modifies such in-  
2 formation within 3 business days of receiving notice  
3 of the dispute, the consumer reporting agency shall  
4 be exempt from the requirements of paragraph (4),  
5 if the consumer reporting agency provides to the  
6 consumer—

7 “(A) prompt notice confirming the deletion  
8 or modification of the information from the con-  
9 sumer’s file in writing or by other means, if  
10 agreed to by the consumer when the informa-  
11 tion is disputed;

12 “(B) a statement of the consumer’s right  
13 to request that the consumer reporting agency  
14 furnish notifications of a revised consumer re-  
15 port pursuant to subsection (d);

16 “(C) not later than 5 business days after  
17 deleting or modifying the information, a copy of  
18 the consumer report and credit score or edu-  
19 cational score (if applicable) that is based upon  
20 the consumer’s revised file; and

21 “(D) a statement that the consumer may  
22 obtain, free of charge and within the 12-month  
23 period following the date the notice under this  
24 paragraph was sent to the consumer, a con-  
25 sumer report and credit score or educational

1 score (if applicable) from the consumer report-  
2 ing agency, regardless of whether the consumer  
3 obtained or will obtain their free annual con-  
4 sumer report and credit score or educational  
5 score (if applicable) under section 612.

6 “(7) NO EXCUSE FOR FAILURE TO CONDUCT  
7 REINVESTIGATION.—A consumer reporting agency  
8 may not refuse to conduct a reinvestigation under  
9 this subsection because the agency determines that  
10 the dispute was submitted by an authorized third  
11 party, unless the agency has clear and convincing  
12 evidence that the third party is not authorized to  
13 submit the dispute on the consumer’s behalf. If the  
14 consumer reporting agency refuses to reinvestigate a  
15 dispute for these reasons, it shall provide a clear and  
16 conspicuous notice to the consumer explaining the  
17 reasons for the refusal and describing the specific in-  
18 formation the consumer is required to provide for  
19 the agency to conduct the reinvestigation.”.

20 (b) ENSURING CONSUMER REPORTING AGENCIES  
21 FURNISH CERTAIN NOTIFICATIONS WITHOUT CHARGE.—  
22 Section 611(d) of the Fair Credit Reporting Act (15  
23 U.S.C. 1681i(d)) is amended by inserting “and without  
24 charge” after “request of the consumer”.

1 (c) INCLUDING SPECIALTY CONSUMER REPORTING  
2 AGENCIES IN REPORTS.—

3 (1) IN GENERAL.—Section 611(e) of the Fair  
4 Credit Reporting Act (15 U.S.C. 1681i(e)) is  
5 amended by inserting “or 603(x)” after “section  
6 603(p)”.

7 (2) TECHNICAL AMENDMENT.—Section  
8 611(e)(1) of the Fair Credit Reporting Act (15  
9 U.S.C. 1681i(e)(1)) is amended by striking “The  
10 Commission” and inserting “The Bureau”.

11 (d) CONFORMING AMENDMENTS.—The Fair Credit  
12 Reporting Act (15 U.S.C. 1681 et seq.) is further amend-  
13 ed—

14 (1) in section 605B(c)(2), by striking “section  
15 611(a)(5)(B)” and inserting “section 611(a)(5)”;

16 (2) in section 611—

17 (A) in subsection (e), by striking “unless  
18 there is reasonable grounds to believe that it is  
19 frivolous or irrelevant,”; and

20 (B) in subsection (f)(3)—

21 (i) in subparagraph (A), by striking  
22 “paragraph (6), (7), or (8) of subsection  
23 (a)” and inserting “paragraph (4) or (5) of  
24 subsection (a)”;

1 (ii) in subparagraph (B), by striking  
2 “in the manner required under paragraph  
3 (8)(A)”;

4 (3) in section 623(b)(1)(B), by striking “rel-  
5 evant” before “information”.

6 (e) GLOBAL TECHNICAL CORRECTIONS TO REF-  
7 ERENCES TO NATIONWIDE SPECIALTY CONSUMER RE-  
8 PORTING AGENCY.—The Fair Credit Reporting Act (15  
9 U.S.C. 1681 et seq.) is further amended—

10 (1) by striking “section 603(w)” and inserting  
11 “section 603(x)” each place such term appears; and

12 (2) in section 612(a)(1)(A), by striking “(w)”  
13 and inserting “(x)”.

14 **SEC. 102. CONSUMER AWARENESS OF DISPUTE RIGHTS.**

15 Section 611 of the Fair Credit Reporting Act (15  
16 U.S.C. 1681i) is amended by adding at the end the fol-  
17 lowing new subsection:

18 “(h) INCREASED CONSUMER AWARENESS OF DIS-  
19 PUTE RIGHTS.—

20 “(1) IN GENERAL.—Not later than 180 days  
21 after the date of enactment of this subsection, each  
22 consumer reporting agency described under sub-  
23 section (p) or (x) of section 603 shall—

24 “(A) establish an Internet website acces-  
25 sible to consumers; and

1           “(B) post on the home page of such  
2 website a hyperlink to a separate webpage es-  
3 tablished and maintained solely for the purpose  
4 of providing information to a consumer about  
5 how to dispute an item of information in the  
6 consumer report of the consumer.

7           “(2) DISPUTE WEBPAGE REQUIREMENTS.—For  
8 a consumer reporting agency described under sub-  
9 section (p) or (x) of section 603, the separate dis-  
10 pute webpage described in paragraph (1)(B)—

11           “(A) may not include any type or form of  
12 marketing, advertising, information, or material  
13 associated with any products or services offered  
14 or sold to consumers;

15           “(B) shall clearly and conspicuously dis-  
16 close a concise statement regarding how to file  
17 a dispute through the agency, free of charge, in  
18 the manner and format prescribed by the Bu-  
19 reau;

20           “(C) shall describe the types of documents  
21 that will be used by the agency in resolving the  
22 dispute, including the business name and mail-  
23 ing address to which a consumer may send such  
24 documents;

1           “(D) shall include a clear and concise ex-  
2           planation of and the process for using electronic  
3           or other means to submit such documents, free  
4           of charge, and without any character or data  
5           limitation imposed by the agency;

6           “(E) shall include a statement that the  
7           consumer may submit information, free of  
8           charge, that the consumer believes will assist  
9           the consumer reporting agency in determining  
10          the results of the reinvestigation of the dispute;

11          “(F) shall clearly and conspicuously dis-  
12          close a statement describing the procedure like-  
13          ly to be used by the consumer reporting agency  
14          in carrying out a reinvestigation to determine  
15          the accuracy or completeness of the disputed  
16          item of information, including the time period  
17          in which the consumer will be notified of the re-  
18          sults of the reinvestigation, and a statement  
19          that the agency may extend the reinvestigation  
20          period by an additional 15 days if the consumer  
21          submits additional information after a certain  
22          date; and

23          “(G) shall provide translations of all infor-  
24          mation on the webpage in each of the 10 most  
25          commonly spoken languages, other than

1 English, in the United States, as determined by  
2 the Bureau of the Census on an ongoing basis,  
3 and in formats accessible to individuals with  
4 hearing or vision impairments.”.

5 **SEC. 103. MAINTENANCE OF RECORDS BY FURNISHERS.**

6 Section 623 of the Fair Credit Reporting Act (15  
7 U.S.C. 1681s-2) is amended by adding at the end the fol-  
8 lowing new subsection:

9 “(f) DUTY OF FURNISHERS TO MAINTAIN RECORDS  
10 OF CONSUMERS.—

11 “(1) IN GENERAL.—A person who furnishes in-  
12 formation to a consumer reporting agency relating  
13 to a consumer who has an account with that person  
14 shall maintain all information necessary to substan-  
15 tiate the accuracy and completeness of the informa-  
16 tion furnished, including any records establishing the  
17 liability and terms and conditions under which credit  
18 was extended to a consumer and any payment his-  
19 tory with respect to such credit.

20 “(2) RETENTION PERIOD.—Records described  
21 under paragraph (1) shall be maintained until the  
22 information with respect to which the records relate  
23 may no longer be included in a consumer report pur-  
24 suant to section 605.



1           “(3) TRANSFER OF OWNERSHIP.—If a person  
2           providing information to a consumer reporting agen-  
3           cy is acquired by another person, or if another per-  
4           son acquires the right to repayment connected to  
5           such information, the acquiring person shall be sub-  
6           ject to the requirements of this subsection with re-  
7           spect to such information to the same extent as the  
8           person who initially provided such information to the  
9           consumer reporting agency. The person selling or  
10          transferring the right to repayment shall provide the  
11          information described in paragraph (1) to the trans-  
12          feree or the acquirer.”.

13 **SEC. 104. DUTIES OF FURNISHERS RELATING TO DISPUTE**  
14 **PROCEDURES, NOTICES, AND DISCLOSURES.**

15          (a) DUTY TO PROVIDE ACCURATE AND COMPLETE  
16 INFORMATION.—Section 623(a) of the Fair Credit Re-  
17 porting Act (15 U.S.C. 1681s–2(a)) is amended—

18           (1) in the subsection heading, by inserting

19           “AND COMPLETE” after “ACCURATE”;

20           (2) in paragraph (1)—

21                 (A) by inserting “or incomplete” after “in-  
22                 accurate” each place that term appears; and

23                 (B) in subparagraph (D), by inserting “or  
24                 completeness” after “accuracy”; and

25           (3) in paragraph (8)—

1 (A) in subparagraph (A), by inserting  
2 “and completeness” after “accuracy”; and

3 (B) in subparagraph (D), by inserting “or  
4 completeness” after “accuracy”.

5 (b) NEGATIVE INFORMATION NOTICES TO CON-  
6 SUMERS.—Section 623(a)(7) of the Fair Credit Reporting  
7 Act (15 U.S.C. 1681s–2(a)(7)) is amended to read as fol-  
8 lows:

9 “(7) DUTY OF FURNISHERS TO INFORM CON-  
10 SUMERS ABOUT REPORTING NEGATIVE INFORMA-  
11 TION.—

12 “(A) GENERAL NEGATIVE INFORMATION  
13 WARNING NOTICE TO ALL CONSUMERS PRIOR  
14 TO FURNISHING SUCH INFORMATION.—

15 “(i) IN GENERAL.—Any person that  
16 regularly furnishes negative information to  
17 a consumer reporting agency described in  
18 subsection (p) or (x) of section 603 about  
19 activity on any accounts of a consumer  
20 held by such person or transactions associ-  
21 ated with credit extended to a consumer by  
22 such person shall provide a written general  
23 negative information warning notice to  
24 each such consumer before such person

1 may furnish any negative information re-  
2 lating to such a consumer.

3 “(ii) CONTENT.—Such notice shall—

4 “(I) be clear and conspicuous;

5 “(II) describe the types of activi-  
6 ties that constitute negative informa-  
7 tion;

8 “(III) inform the consumer that  
9 the person may report negative infor-  
10 mation relating to any such accounts  
11 or transactions to a consumer report-  
12 ing agency described in subsection (p)  
13 or (x) of section 603;

14 “(IV) state that the negative in-  
15 formation may appear on a consumer  
16 report of the consumer for the periods  
17 described in section 605 and that dur-  
18 ing such periods, the negative infor-  
19 mation may adversely impact the con-  
20 sumer’s credit score;

21 “(V) state that in some limited  
22 circumstances, the negative informa-  
23 tion may result in other adverse ac-  
24 tions, including a denial of a new job

1 or a promotion from existing employ-  
2 ment; and

3 “(VI) state that the consumer  
4 has right to—

5 “(aa) obtain a copy of their  
6 consumer report and credit score  
7 or educational score (if applica-  
8 ble), which in some instances can  
9 be obtained free of charge, from  
10 any consumer reporting agency  
11 to which negative information  
12 may be been sent; and

13 “(bb) dispute, free of  
14 charge, any errors on a consumer  
15 report relating to the consumer.

16 “(iii) TIMING OF NOTICE.—Such per-  
17 son shall provide such notice to a consumer  
18 not later than 90 days before the date on  
19 which the person furnishes negative infor-  
20 mation relating to such consumer.

21 “(B) SPECIFIC NEGATIVE INFORMATION  
22 NOTICE TO A CONSUMER.—

23 “(i) IN GENERAL.—Any person de-  
24 scribed in subparagraph (A) that has fur-  
25 nished negative information relating to ac-

1           tivity on any accounts of a consumer held  
2           by such person or transactions associated  
3           with credit extended to a consumer by such  
4           person to a consumer reporting agency de-  
5           scribed in subsection (p) or (x) of section  
6           603 shall send a written notice to each  
7           such consumer.

8           “(ii) CONTENT.—Such notice shall—

9                   “(I) be clear and conspicuous;

10                   “(II) inform the consumer that  
11           the person has furnished negative in-  
12           formation relating to such accounts or  
13           transactions to a consumer reporting  
14           agency described in subsection (p) or  
15           (x) of section 603;

16                   “(III) identify any consumer re-  
17           porting agency to which the negative  
18           information was furnished, including  
19           the name of the agency, mailing ad-  
20           dress, Internet website address, and  
21           toll-free telephone number; and

22                   “(IV) include the statements de-  
23           scribed in subclauses (IV), (V), and  
24           (VI) of subparagraph (A)(ii).

1                   “(iii) TIME OF NOTICE.—Such person  
2                   shall provide such notice to a consumer not  
3                   later than 5 business days after the date  
4                   on which the person furnished negative in-  
5                   formation relating to such consumer.

6                   “(C) NOTICE EFFECTIVE FOR SUBSE-  
7                   QUENT SUBMISSIONS.—After providing the no-  
8                   tice described in subparagraph (B), the person  
9                   may submit additional negative information to  
10                  a consumer reporting agency described in sub-  
11                  section (p) or (x) of section 603 without pro-  
12                  viding additional notice to the consumer, unless  
13                  another person acquires the right to repayment  
14                  connected to the additional negative informa-  
15                  tion. The acquiring person shall be subject to  
16                  the requirements of this paragraph and shall be  
17                  required to send consumers the written notices  
18                  described in this paragraph, if applicable.

19                  “(D) NON-TRADITIONAL DATA FUR-  
20                  NISHERS.—Any person that furnishes negative  
21                  information to a consumer reporting agency de-  
22                  scribed in subsection (p) or (x) of section 603  
23                  relating to any accounts of, or transactions as-  
24                  sociated with, a consumer by such person in-  
25                  volving non-traditional data shall be subject to

1 the requirements described in subparagraphs  
2 (A), (B), and (C).

3 “(E) MODEL NOTICES.—

4 “(i) DUTY OF BUREAU.—Not later  
5 than 6 months after date of the enactment  
6 of this paragraph, the Bureau shall issue  
7 model forms for the notices described in  
8 subparagraphs (A) and (B) that a person  
9 may use to comply with the requirements  
10 of this paragraph.

11 “(ii) USE OF MODEL NOTICE NOT RE-  
12 QUIRED.—No provision of this paragraph  
13 may be construed to require a person to  
14 use the model notices prescribed by the  
15 Bureau.

16 “(iii) COMPLIANCE USING MODEL NO-  
17 TICES.—A person shall be deemed to be in  
18 compliance with the requirements of sub-  
19 paragraph (A)(ii) or (B)(ii) (as applicable)  
20 if the person uses the model notice pre-  
21 scribed by the Bureau.

22 “(F) ISSUANCE OF GENERAL NEGATIVE  
23 WARNING NOTICE WITHOUT SUBMITTING NEGA-  
24 TIVE INFORMATION.—No provision of this para-  
25 graph may be construed to require a person de-

1 scribed in subparagraph (A) or (D) to furnish  
2 negative information about a consumer to a  
3 consumer reporting agency described in sub-  
4 section (p) or (x) of section 603.

5 “(G) SAFE HARBOR.—A person shall not  
6 be liable for failure to perform the duties re-  
7 quired by this paragraph if the person reason-  
8 ably believes that the person is prohibited, by  
9 law, from contacting the consumer.

10 “(H) EFFECTIVE DATE.—The require-  
11 ments of subparagraphs (A), (B), (C), and (D)  
12 shall not take effect until the date that is 6  
13 months after the date of the issuance of model  
14 forms for notices under subparagraph (E).

15 “(I) DEFINITIONS.—In this paragraph, the  
16 following definitions shall apply:

17 “(i) NEGATIVE INFORMATION.—The  
18 term ‘negative information’ means infor-  
19 mation concerning a consumer’s delin-  
20 quencies, late payments, insolvency, or any  
21 form of default.

22 “(ii) NON-TRADITIONAL DATA.—The  
23 term ‘non-traditional data’ relates to tele-  
24 communications payments, utility pay-  
25 ments, rent payments, remittances, wire



1 transfers, and such other items as deter-  
2 mined by the Bureau.”.

3 (c) DUTIES OF FURNISHERS AFTER RECEIVING NO-  
4 TICE OF DISPUTE FROM A CONSUMER.—Section  
5 623(a)(8)(E) of the Fair Credit Reporting Act (15 U.S.C.  
6 1681s-2(a)(8)(E)) is amended to read as follows:

7 “(E) DUTIES OF FURNISHERS AFTER RE-  
8 CEIVING NOTICE OF DISPUTE FROM A CON-  
9 SUMER.—After receiving a notice of dispute  
10 from a consumer pursuant to subparagraph  
11 (D), the person that provided the information  
12 in dispute to a consumer reporting agency  
13 shall—

14 “(i) promptly provide to each con-  
15 sumer reporting agency to which the per-  
16 son furnished the disputed information the  
17 notice of dispute;

18 “(ii) review all information, including  
19 any substantiating documents, provided by  
20 the consumer about the disputed informa-  
21 tion and conduct an investigation, separate  
22 from any reinvestigation by a consumer re-  
23 porting agency or a reseller conducted with  
24 respect to the disputed information;

1           “(iii) before the expiration of the pe-  
2           riod under section 611(a)(1) within which  
3           a consumer reporting agency would be re-  
4           quired to complete its action if the con-  
5           sumer had elected to dispute the informa-  
6           tion under that section, complete an inves-  
7           tigation of the disputed information pursu-  
8           ant to the standards described in subpara-  
9           graph (G);

10           “(iv) notify the consumer, in writing,  
11           of the receipt of the dispute that in-  
12           cludes—

13                   “(I) a statement about any infor-  
14                   mation additional to the information  
15                   that the person is required to main-  
16                   tain under subsection (f) that would  
17                   support the person’s ability to carry  
18                   out an investigation to resolve the  
19                   consumer’s dispute; and

20                   “(II) a statement that the con-  
21                   sumer reporting agency to which the  
22                   disputed information was provided will  
23                   include a notation described in section  
24                   605(e) in the consumer’s file until the  
25                   investigation has been completed, and

1 information about how a consumer  
2 may request that such notation is re-  
3 moved by the agency;

4 “(v) if the investigation determines  
5 the disputed information is inaccurate, in-  
6 complete, or unverifiable, promptly notify  
7 each consumer reporting agency to which  
8 the person furnished such information in  
9 accordance with paragraph (2); and

10 “(vi) notify the consumer of the re-  
11 sults of the investigation, in writing, in ac-  
12 cordance with subparagraph (H).”.

13 (d) ELIMINATING FURNISHERS’ AUTHORITY TO DIS-  
14 MISS DISPUTES AS FRIVOLOUS OR IRRELEVANT.—Section  
15 623(a)(8) of the Fair Credit Reporting Act (15 U.S.C.  
16 1681s–2(a)(8)) is amended by striking subparagraph (F)  
17 and redesignating subparagraph (G) as subparagraph (F).

18 (e) ADDITIONAL DUTIES.—Section 623(a)(8) of the  
19 Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)(8)), as  
20 amended by subsection (d), is further amended by adding  
21 at the end the following new subparagraphs:

22 “(G) REASONABLE STANDARDS FOR FUR-  
23 NISHERS FOR CONDUCTING INVESTIGATIONS  
24 AND RESOLVING DISPUTES SUBMITTED BY CON-  
25 SUMERS.—In any investigation conducted by a

1 person who furnishes information to a con-  
2 sumer reporting agency of an item of informa-  
3 tion being disputed by a consumer, the person,  
4 at a minimum—

5 “(i) shall maintain sufficient resources  
6 and trained staff, commensurate with the  
7 volume and complexity of disputes received  
8 or reasonably anticipated to be received, to  
9 conduct investigations;

10 “(ii) shall verify that the person has a  
11 record of the particular information being  
12 disputed, consistent with the requirements  
13 of subsection (f);

14 “(iii) shall verify that the personally  
15 identifiable information of the consumer  
16 submitting the dispute matches the person-  
17 ally identifiable information contained on  
18 such records;

19 “(iv) shall conduct a reasonable re-  
20 view to determine whether the disputed in-  
21 formation is accurate, complete, and can  
22 be verified that considers all the informa-  
23 tion, including any substantiating docu-  
24 ments, provided by the consumer about the  
25 disputed information;

1           “(v) shall ensure that the investiga-  
2           tion is an independent analysis that is sep-  
3           arate from any reinvestigation by a con-  
4           sumer reporting agency or a reseller con-  
5           ducted with respect to the disputed infor-  
6           mation; and

7           “(vi) may not impose any limitations  
8           or otherwise impede the ability of a con-  
9           sumer to submit information, including  
10          any substantiating documents, about the  
11          disputed information.

12          “(H) CONTENTS OF THE NOTICE TO THE  
13          CONSUMER ABOUT THE RESULTS OF THE IN-  
14          VESTIGATION BY THE FURNISHER.—The notice  
15          of the results of the investigation described in  
16          subparagraph (E) shall include—

17               “(i) a statement informing the con-  
18               sumer as to whether the disputed informa-  
19               tion was determined to be inaccurate, in-  
20               complete, or unverifiable;

21               “(ii) a statement of the specific rea-  
22               sons supporting the results of the inves-  
23               tigation;

24               “(iii) a description of the procedure  
25               used by the dispute resolution staff of the

1 person who furnishes information to a con-  
2 sumer reporting agency to determine the  
3 accuracy or completeness of the informa-  
4 tion, including the business name, mailing  
5 address, telephone number, and Internet  
6 website address (if available) of any person  
7 who was contacted by the staff in connec-  
8 tion with the determination;

9 “(iv) a copy of all information relating  
10 to the consumer that was used in carrying  
11 out the investigation and was the basis for  
12 any determination about the accuracy or  
13 completeness of the disputed information;

14 “(v) a statement that consumer will  
15 receive, free of charge, a copy of their con-  
16 sumer report and credit score or edu-  
17 cational credit score (if applicable), from  
18 any consumer reporting agency to which  
19 the disputed information had been pro-  
20 vided, regardless of whether the consumer  
21 obtained or will obtain a free consumer re-  
22 port and credit score or educational credit  
23 score (if applicable) in the 12-month period  
24 preceding receipt of the notice described in

1           this subparagraph pursuant to section  
2           612(a)(1);

3           “(vi) if the disputed information was  
4           found to be inaccurate, incomplete, or un-  
5           verifiable, a statement that the consumer  
6           report of the consumer shall be revised to  
7           reflect the change to the consumer’s file as  
8           a result of the investigation;

9           “(vii) a statement that the consumer  
10          has the right to appeal the results of the  
11          investigation under paragraph (10), free of  
12          charge, within 120 days after the date of  
13          the notice of the results of the investiga-  
14          tion was provided to the consumer and the  
15          process for submitting an appeal;

16          “(viii) a statement that the consumer  
17          may add a narrative statement, free of  
18          charge, to the consumer’s file held by the  
19          consumer reporting agency to which the in-  
20          formation has been furnished disputing the  
21          accuracy or completeness of the informa-  
22          tion, regardless of the results of the inves-  
23          tigation by the person, and the process for  
24          contacting any agency that received the

1 consumer's information from the person to  
2 submit a narrative statement;

3 “(ix) a statement informing the con-  
4 sumer that a notation described in section  
5 605(e) will be added to the consumer's file  
6 during the period in which the consumer  
7 appeals the results of an investigation and  
8 that such notation can be removed at the  
9 request of the consumer; and

10 “(x) a statement that the consumer  
11 has the right to request a copy of their  
12 consumer report and credit score or edu-  
13 cational credit score (if applicable), free of  
14 charge, within the 12-month period fol-  
15 lowing the date of the conclusion of the in-  
16 vestigation from any consumer reporting  
17 agency in which the disputed information  
18 had been provided, regardless of whether  
19 the consumer obtained or will obtain a free  
20 annual consumer report and credit score or  
21 educational credit score (if applicable)  
22 under this subparagraph or section  
23 612(a)(1).”.

24 (f) CONFORMING AMENDMENT.—Section  
25 615(a)(4)(B) is amended—



1 (1) by striking “, under section 611, with a  
2 consumer reporting agency”; and

3 (2) by striking “furnished by the agency” and  
4 inserting “to a consumer reporting agency under  
5 section 611 or to a person who furnished informa-  
6 tion to an agency under section 623”.

7 **SEC. 105. RIGHT TO APPEAL DISPUTES RELATING TO RE-**  
8 **INVESTIGATIONS AND INVESTIGATIONS.**

9 (a) APPEALS OF REINVESTIGATIONS CONDUCTED BY  
10 A CONSUMER REPORTING AGENCY.—Section 611 of the  
11 Fair Credit Reporting Act (15 U.S.C. 1681i) is amend-  
12 ed—

13 (1) in subsection (b), by inserting “or if the  
14 consumer is unsatisfied with the results of an appeal  
15 conducted under subsection (i),” after “resolve the  
16 dispute,”; and

17 (2) by inserting after subsection (h) (as added  
18 by section 102) the following new subsection:

19 “(i) CONSUMER RIGHT TO APPEAL RESULTS OF A  
20 CONSUMER REPORTING AGENCY REINVESTIGATION.—

21 “(1) IN GENERAL.—Within 120 days after the  
22 date of receipt of the results of a reinvestigation  
23 conducted under subsection (a), a consumer (or au-  
24 thorized third party) may, free of charge, appeal the

1 results of such reinvestigation by submitting a notice  
2 of appeal to the consumer reporting agency.

3 “(2) NOTICE OF APPEAL.—

4 “(A) REQUIREMENTS.—A notice of appeal  
5 described in paragraph (1) may be submitted in  
6 writing, or through a toll-free telephone number  
7 or other electronic means established by the  
8 consumer reporting agency (including on the  
9 Internet website described in subsection (h)),  
10 and—

11 “(i) shall identify the information con-  
12 tained in the consumer’s file that is the  
13 subject of the appeal;

14 “(ii) shall describe the specific reasons  
15 for submitting the notice of appeal; and

16 “(iii) may provide any information the  
17 consumer believes is relevant to substan-  
18 tiate the validity of the dispute.

19 “(B) CONSUMER REPORTING AGENCY NO-  
20 TICE TO CONSUMER.—Upon receipt of such no-  
21 tice of appeal, the consumer reporting agency  
22 shall promptly provide to the consumer a state-  
23 ment confirming the receipt of the consumer’s  
24 notice of appeal that shall include—

1                   “(i) an approximate date on which the  
2                   consumer’s appeal review will be com-  
3                   pleted;

4                   “(ii) the process and procedures by  
5                   which such review will be conducted; and

6                   “(iii) an employee reference number  
7                   or other employee identifier for each of the  
8                   specific individuals designated by the con-  
9                   sumer reporting agency who, upon the re-  
10                  quest of the consumer, may discuss the  
11                  substance and status of the appeal.

12                  “(3) CONSUMER REPORTING AGENCY REQUIRE-  
13                  MENTS UPON RECEIPT OF NOTICE OF APPEAL.—

14                  “(A) IN GENERAL.—Not later than 20  
15                  days after receiving a notice of appeal, the con-  
16                  sumer reporting agency shall review the appeal.  
17                  If the consumer reporting agency determines  
18                  the information is inaccurate, incomplete, or  
19                  cannot be verified, the consumer reporting  
20                  agency shall delete or modify the item of infor-  
21                  mation being disputed by the consumer from  
22                  the file of the consumer before the end of the  
23                  20-day period beginning on the date on which  
24                  the consumer reporting agency receives a notice  
25                  of an appeal from the consumer.

1           “(B) NOTICE OF APPEAL TO FURNISHER;  
2 INFORMATION REGARDING DISPUTE PROVIDED  
3 BY THE CONSUMER.—

4           “(i) IN GENERAL.—Before the end of  
5 the period of 3 business days beginning on  
6 the date on which a consumer reporting  
7 agency receives a notice of appeal, the con-  
8 sumer reporting agency shall provide no-  
9 tice of the appeal, including all information  
10 relating to the specific appeal that the con-  
11 sumer reporting agency has received from  
12 the consumer, to any person who provided  
13 any information in dispute.

14           “(ii) PROVISION OF ADDITIONAL IN-  
15 FORMATION REGARDING THE DISPUTE.—If  
16 the consumer reporting agency receives ad-  
17 ditional information from the consumer  
18 after the agency provides the notice re-  
19 quired under clause (i) and before the end  
20 of the 20-day period described in subpara-  
21 graph (A), the consumer reporting agency  
22 shall, not later than 3 business days after  
23 receiving such information, provide such  
24 information to any person who provided  
25 the information in dispute and shall have

1 an additional 10 business days to complete  
2 the appeal review.

3 “(C) MINIMUM STANDARDS FOR APPEALS  
4 EMPLOYEES.—

5 “(i) DESIGNATION.—Upon receipt of  
6 a notice of appeal under paragraph (1), a  
7 consumer reporting agency shall designate  
8 one or more specific employees who—

9 “(I) shall be assigned an em-  
10 ployee reference number or other em-  
11 ployee identifier that can be used by  
12 the consumer to discuss the appeal  
13 with the specific individuals handling  
14 the appeal;

15 “(II) shall have direct authority  
16 to resolve the dispute that is the sub-  
17 ject of the notice of appeal from the  
18 review stage to its completion;

19 “(III) shall meet minimum train-  
20 ing and ongoing certification require-  
21 ments at regular intervals, as estab-  
22 lished by the Bureau;

23 “(IV) shall be located within the  
24 United States;

1           “(V) may not have been involved  
2           in the reinvestigation conducted or  
3           terminated pursuant to subsection (a);  
4           and

5           “(VI) may not be subject to any  
6           requirements linking incentives, in-  
7           cluding promotion, to the number of  
8           appeals processed within a certain  
9           time period.

10          “(ii) REQUIREMENTS.—Such employ-  
11          ees shall conduct a robust review of the ap-  
12          peal and make a determination regarding  
13          the accuracy and completeness of the dis-  
14          puted information by—

15                 “(I) conducting an independent  
16                 analysis, separate from any investiga-  
17                 tion by a reseller or person who pro-  
18                 vided the disputed information, and  
19                 separate from any prior reinvestiga-  
20                 tion conducted by the consumer re-  
21                 porting agency of the disputed infor-  
22                 mation;

23                 “(II) verifying that the personally  
24                 identifiable information of the con-  
25                 sumer submitting the dispute matches

1 the personally identifiable information  
2 contained on the consumer's file;

3 “(III) analyzing the notice of ap-  
4 peal and all information, including  
5 any substantiating documents, pro-  
6 vided by the consumer with the notice  
7 of appeal;

8 “(IV) evaluating the validity of  
9 any information submitted by any  
10 person that was used by the consumer  
11 reporting agency in the reinvestigation  
12 of the initial dispute;

13 “(V) verifying that the consumer  
14 reporting agency has a record of the  
15 information being disputed; and

16 “(VI) applying any additional  
17 factors or investigative processes, as  
18 specified by the Bureau.

19 “(D) NOTICE OF APPEAL RESULTS.—Not  
20 later than 5 days after the end of the 20-day  
21 period described under subparagraph (A) (or  
22 the 10-day extension period, as applicable) the  
23 consumer reporting agency shall provide the  
24 consumer with written notice of the results of  
25 the appeal by postal mail or, if requested by the

1 consumer, by other means. The contents of  
2 such notice shall include—

3 “(i) a statement that the appeal is  
4 completed and the date on which it was  
5 completed, the results of the appeal, and  
6 the specific reasons supporting the results  
7 of the appeal;

8 “(ii) a copy of all information relating  
9 to the consumer that was used as a basis  
10 for deciding the results of the appeal;

11 “(iii) a consumer report that is based  
12 upon the consumer’s file as that file may  
13 have been revised as a result of the appeal;

14 “(iv) a description of the procedure  
15 used to determine the accuracy and com-  
16 pleteness of the information, including the  
17 business name, telephone number, mailing  
18 address, and Internet website address (if  
19 applicable) of any person who provided in-  
20 formation that was contacted in connection  
21 with such information, if reasonably avail-  
22 able;

23 “(v) information describing that the  
24 consumer may submit a statement, without  
25 charge, disputing the accuracy or com-



1           pleteness of information in the consumer’s  
2           file that was the subject of an appeal  
3           under this subsection by submitting a  
4           statement directly to each consumer re-  
5           porting agency that received the informa-  
6           tion;

7           “(vi) a description of the consumer’s  
8           rights pursuant to subsection (d) (relating  
9           to furnishing notifications to certain users  
10          of consumer reports); and

11          “(vii) any other information, as deter-  
12          mined by the Bureau.

13          “(E) NO EXCUSE FOR FAILURE TO CON-  
14          DUCT APPEAL.—A consumer reporting agency  
15          may not refuse to conduct a review of an appeal  
16          under this subsection because the agency deter-  
17          mines that the notice of appeal was submitted  
18          by an authorized third party, unless the agency  
19          has clear and convincing evidence that the third  
20          party is not authorized to submit the notice of  
21          appeal on the consumer’s behalf. If the con-  
22          sumer reporting agency refuses to conduct a re-  
23          view of the appeal for these reasons, it shall  
24          provide a clear and conspicuous written notice  
25          to the consumer explaining the reasons for the

1 refusal and describing any information the con-  
2 sumer is required to provide for the agency to  
3 conduct a review of the appeal.”.

4 (b) APPEALS OF INVESTIGATIONS CONDUCTED BY  
5 FURNISHERS OF INFORMATION.—Section 623(a) of the  
6 Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)) is  
7 amended by adding at the end the following new para-  
8 graph:

9 “(10) DUTY OF FURNISHERS OF INFORMATION  
10 UPON NOTICE OF APPEAL OF INVESTIGATION.—

11 “(A) IN GENERAL.—Within 120 days of  
12 the date of receipt of the results of an inves-  
13 tigation conducted under paragraph (8)(E), a  
14 consumer may, free of charge, appeal such re-  
15 sults by submitting a notice of appeal to the  
16 person who provided the information in the dis-  
17 pute to a consumer reporting agency (hereafter  
18 in this paragraph referred to as the ‘furnisher’).

19 “(B) NOTICE OF APPEAL.—A notice of ap-  
20 peal described in subparagraph (A) may be sub-  
21 mitted in writing, through a toll-free telephone  
22 number, or by other electronic means estab-  
23 lished by the furnisher, and—

1           “(i) shall identify the information con-  
2           tained in the consumer’s file that is the  
3           subject of the appeal;

4           “(ii) shall describe the specific reasons  
5           for submitting the notice of appeal; and

6           “(iii) may include any information, in-  
7           cluding substantiating documents, the con-  
8           sumer believes is relevant to the appeal.

9           “(C) FURNISHER ACTIONS.—Upon receipt  
10          of such notice of appeal, the furnisher shall—

11          “(i) before the end of the period of 3  
12          business days beginning on the date on  
13          which the furnisher receives the notice of  
14          appeal, notify each consumer reporting  
15          agency to which the person furnished such  
16          information a statement identifying the  
17          items of information that a consumer is  
18          appealing; and

19          “(ii) notify the consumer confirming  
20          the receipt of the consumer’s notice of ap-  
21          peal, including an approximate date when  
22          the consumer’s appeal will be completed,  
23          the process and procedures by which a re-  
24          view of the appeal will be conducted, and  
25          the specific individual designated by the

1 consumer reporting agency who, upon the  
2 request of the consumer, may discuss the  
3 substance and status of the appeal.

4 “(D) FURNISHER REQUIREMENTS UPON  
5 RECEIPT OF NOTICE OF APPEAL.—Not later  
6 than 20 days after receiving a notice of appeal,  
7 the furnisher shall determine whether the item  
8 of information being disputed by the consumer  
9 is inaccurate, incomplete, or cannot be verified,  
10 and shall notify the consumer reporting agency  
11 of the determination. If the furnisher cannot  
12 verify the accuracy or completeness of the dis-  
13 puted information, the furnisher shall, before  
14 the end of the 20-day period beginning on the  
15 date on which the furnisher receives notice of  
16 an appeal from the consumer, submit instruc-  
17 tions to the consumer reporting agency that the  
18 item of information being disputed by the con-  
19 sumer should be deleted from the file of the  
20 consumer.

21 “(E) MINIMUM STANDARDS FOR APPEALS  
22 EMPLOYEES.—Upon receipt of a notice of ap-  
23 peal under subparagraph (A), a furnisher shall  
24 designate one or more specific employees who—

1           “(i) shall be assigned an employee ref-  
2           erence number or other employee identifier  
3           that can be used by the consumer to dis-  
4           cuss the appeal with the specific individ-  
5           uals handling the appeal;

6           “(ii) shall have direct authority to re-  
7           solve the dispute that is the subject of the  
8           notice of appeal on behalf of the furnisher  
9           from the review stage to its completion;

10          “(iii) shall meet minimum training  
11          and ongoing certification requirements at  
12          regular intervals, as established by the Bu-  
13          reau;

14          “(iv) may not have been involved in  
15          an investigation conducted pursuant to  
16          paragraph (8); and

17          “(v) may not be subject to any re-  
18          quirements linking incentives, including  
19          promotion, to the number of appeals proc-  
20          essed within a certain time period.

21          “(F) REQUIREMENTS FOR APPEALS PROC-  
22          ESS.—Such employees shall conduct a robust  
23          review of the appeal and make a determination  
24          regarding the accuracy and completeness of the  
25          disputed information by—

1           “(i) conducting an independent anal-  
2           ysis, separate from any reinvestigation by  
3           a reseller or consumer reporting agency, of  
4           the disputed information;

5           “(ii) verifying that the personally  
6           identifiable information related to the dis-  
7           pute is accurate and complete;

8           “(iii) analyzing the notice of appeal  
9           and all information, including substan-  
10          tiating documents, provided by the con-  
11          sumer with the notice of appeal;

12          “(iv) evaluating the validity of any in-  
13          formation submitted by any person that  
14          was used by the furnisher in the initial in-  
15          vestigation into the dispute;

16          “(v) verifying that the information  
17          being disputed relates to the consumer in  
18          whose file the information is located;

19          “(vi) verifying that the furnisher has  
20          a record of the information being disputed;  
21          and

22          “(vii) applying any additional factors  
23          or investigative processes, as specified by  
24          the Bureau.

1           “(G) EXTENSION OF REVIEW PERIOD.—If  
2 a consumer submits additional information re-  
3 lated to the appeal after the period of 3 busi-  
4 ness days described in subparagraph (C)(i) and  
5 before the end of the 20-day period described in  
6 subparagraph (D), the furnisher shall have an  
7 additional 10 business days to complete the re-  
8 view of the appeal.

9           “(H) NOTICE OF APPEAL RESULTS.—Not  
10 later than 5 days after the end of the 20-day  
11 period described in subparagraph (D) (or the  
12 10-day extension described under subparagraph  
13 (G), as applicable) the furnisher shall provide  
14 the consumer with written notice of the results  
15 of the appeal by mail or, if requested by the  
16 consumer, by other means. The contents of  
17 such notice shall include—

18           “(i) a statement that the appeal is  
19 completed and the date on which it was  
20 completed, the results of the appeal, and  
21 the specific reasons supporting the results  
22 of the appeal;

23           “(ii) a copy of all information relating  
24 to the consumer that was used as a basis  
25 for deciding the results of the appeal;

1           “(iii) if the appeal results in any  
2 change to the consumer report, a notifica-  
3 tion that the consumer shall receive a copy,  
4 free of charge, of a revised consumer re-  
5 port (based upon the consumer’s file as  
6 that file was changed as a result of the ap-  
7 peal) and a credit score or educational  
8 credit score (if applicable) from each con-  
9 sumer reporting agency that had been fur-  
10 nished incorrect information;

11           “(iv) a description of the procedure  
12 used to determine the accuracy and com-  
13 pleteness of the information, including the  
14 business name, telephone number, mailing  
15 address, and Internet website address (if  
16 applicable), of any person who provided in-  
17 formation that was contacted in connection  
18 with such information, if reasonably avail-  
19 able;

20           “(v) information describing that the  
21 consumer may submit a statement, without  
22 charge, disputing the accuracy or com-  
23 pleteness of information in the consumer’s  
24 file that was the subject of an appeal  
25 under this paragraph by submitting a



1 statement directly to each consumer re-  
2 porting agency that received the informa-  
3 tion; and

4 “(vi) a notification that the consumer  
5 may request the furnisher to submit to  
6 each consumer reporting agency the con-  
7 sumer’s request to furnish notifications  
8 pursuant to section 611(d) (relating to fur-  
9 nishing notifications to certain users of  
10 consumer reports).”.

11 (c) TECHNICAL AMENDMENT.—Section 623(a)(8)(A)  
12 of the Fair Credit Reporting Act (15 U.S.C. 1681s-  
13 2(a)(8)(A)) is amended by striking “reinvestigate” and in-  
14 serting “investigate”.

15 (d) CONFORMING AMENDMENTS.—Section 609 of the  
16 Fair Credit Reporting Act (15 U.S.C. 1681g) is amend-  
17 ed—

18 (1) in subsection (c)—

19 (A) by striking “Commission” and insert-  
20 ing “Bureau” each place that term appears;

21 (B) in the subsection heading, by striking  
22 “RIGHTS TO OBTAIN AND DISPUTE INFORMA-  
23 TION IN CONSUMER REPORTS AND TO OBTAIN  
24 CREDIT SCORES” and inserting “KEY CON-  
25 SUMER REPORTING RIGHTS”; and

1 (C) in paragraph (1)—

2 (i) in the heading, by striking “COM-  
3 MISSION” and inserting “BUREAU”;

4 (ii) in subparagraph (B)—

5 (I) in clause (ii), by striking “a  
6 consumer report without charge under  
7 section 612” and inserting “consumer  
8 reports and credit scores or edu-  
9 cational credit scores (as applicable)  
10 without charge under section 612”;

11 (II) in clause (iii), by inserting  
12 “or section 623” after “section 611”;

13 (III) by striking clauses (iv) and  
14 (vi);

15 (IV) by inserting after clause (iii)  
16 the following new clause:

17 “(iv) the right of a consumer to ap-  
18 peal a determination of a reinvestigation  
19 conducted by a consumer reporting agency  
20 under section 611(i) or an investigation  
21 conducted by a furnisher of information  
22 under section 623(a)(10);” and

23 (V) by adding at the end the fol-  
24 lowing new clause:

1 “(vi) the method and circumstances  
2 under which consumers can obtain a 1-  
3 year fraud alert, 7-year fraud alert, active  
4 duty alert, or security freeze as described  
5 in section 605A through a consumer re-  
6 porting agency described under section  
7 603(p).”;

8 (iii) in subparagraph (C) (as amended  
9 by subparagraph (A)) by inserting “and  
10 the Commission” after “Bureau”; and

11 (iv) by adding at the end the following  
12 new subparagraph:

13 “(D) PUBLICATION OF SUMMARY  
14 RIGHTS.—A consumer reporting agency de-  
15 scribed under subsection (p) or (x) of section  
16 603 shall display in a clear and conspicuous  
17 manner, including on the Internet website of  
18 the consumer reporting agency, the summary of  
19 rights prepared by the Bureau under this para-  
20 graph.”; and

21 (2) in subsection (d), by inserting “Bureau and  
22 the” before “Commission”.

23 **SEC. 106. REVISED CONSUMER REPORTS.**

24 Section 611 of the Fair Credit Reporting Act (15  
25 U.S.C. 1681i), as amended by section 105(a)(2), is further

1 amended by adding at the end the following new sub-  
2 section:

3       “(j) REQUIREMENT TO SEND REVISED CONSUMER  
4 REPORT TO CONSUMER.—Upon receiving a notice de-  
5 scribed in section 623(a)(8)(E)(iv), each consumer report-  
6 ing agency shall send to the consumer a revised consumer  
7 report and credit score or education credit score (if appli-  
8 cable) based upon the consumer’s file as that file was  
9 changed as a result of the investigation.”.

10 **SEC. 107. INDICATION OF DISPUTE BY CONSUMERS AND**  
11 **USE OF DISPUTED INFORMATION.**

12       Section 605(f) of the Fair Credit Reporting Act (15  
13 U.S.C. 1681c(f)) is amended to read as follows:

14       “(f) INDICATION OF DISPUTE.—

15               “(1) IN GENERAL.—A consumer reporting  
16 agency shall include in any consumer report based  
17 on the consumer’s file a notation identifying any  
18 item of information that is currently in dispute by  
19 the consumer if—

20                       “(A) a consumer disputes the completeness  
21 or accuracy of any item of information con-  
22 tained in a consumer’s file pursuant to section  
23 611(a)(1);

1           “(B) a consumer files with a consumer re-  
2           porting agency an appeal of a reinvestigation  
3           pursuant to section 611(i); or

4           “(C) the consumer reporting agency is no-  
5           tified by a person that furnished any items of  
6           information that are currently in dispute by the  
7           consumer that—

8                   “(i) a consumer disputes the com-  
9                   pleteness or accuracy of any information  
10                  furnished by a person to any consumer re-  
11                  porting agency pursuant to paragraph (3)  
12                  or (8) of section 623(a); or

13                  “(ii) a consumer submits a notice of  
14                  appeal under section 623(a)(10).

15           “(2) OPT OUT.—A consumer may submit a re-  
16           quest to a consumer reporting agency or a person  
17           who furnished the information in dispute, as applica-  
18           ble, to have the notation described in paragraph (1)  
19           omitted from the consumer report. Upon receipt of  
20           such a request—

21                   “(A) by a consumer reporting agency, such  
22                   agency shall remove the notation within 1 busi-  
23                   ness day; and

24                   “(B) by a person who furnished the infor-  
25                   mation in dispute, such person shall submit

1           such request to each consumer reporting agency  
2           to which the person furnished such information  
3           within 1 business day and such agency shall re-  
4           move the notation within 1 business day of re-  
5           ceipt of such request.”.

6 **SEC. 108. ACCURACY AND COMPLETENESS REPORT DUTIES**  
7                           **FOR CONSUMER REPORTING AGENCIES AND**  
8                           **FURNISHERS.**

9           Section 607(b) of the Fair Credit Reporting Act (15  
10 U.S.C. 1681e) is amended to read as follows:

11           “(b) ACCURACY AND COMPLETENESS OF REPORT.—

12                   “(1) IN GENERAL.—In preparing a consumer  
13           report, a consumer reporting agency shall maintain  
14           reasonable procedures to ensure maximum possible  
15           accuracy and completeness of the information con-  
16           cerning the individual to whom the consumer report  
17           relates.

18                   “(2) BUREAU RULE TO ASSURE MAXIMUM POS-  
19           SIBLE ACCURACY AND COMPLETENESS WITH CREDIT  
20           REPORTING PRACTICES.—

21                   “(A) RULE.—Not later than 18 months  
22           after the date of enactment of this subsection,  
23           the Bureau shall issue a final rule establishing  
24           the procedures described in paragraph (1).

1           “(B) REQUIREMENTS.—In formulating the  
2 rule required under subparagraph (A), the Bu-  
3 reau shall—

4           “(i) develop standards for matching  
5 the personally identifiable information in-  
6 cluded in the consumer’s file with the per-  
7 sonally identifiable information furnished  
8 by the person who provided the informa-  
9 tion to the consumer reporting agency  
10 (hereafter in this subsection referred to as  
11 the ‘furnisher’), including the full name of  
12 a consumer, the date of birth of a con-  
13 sumer, the full social security number of a  
14 consumer, and any other information that  
15 the Bureau determines would aid in assur-  
16 ing maximum possible accuracy and com-  
17 pleteness of such consumer reports;

18           “(ii) establish processes for a con-  
19 sumer reporting agency to monitor the in-  
20 tegrity of the data provided by furnishers  
21 and the compliance of furnishers with the  
22 requirements of this title;

23           “(iii) establish processes for a con-  
24 sumer reporting agency to regularly rec-  
25 oncile data relating to accounts in collec-

1           tion, including those that have not been  
2           paid in full, by specifying the cir-  
3           cumstances under which the consumer re-  
4           porting agency shall remove or suppress  
5           negative or adverse information from a  
6           consumer’s file that has not been updated  
7           by a furnisher who is also a debt collector  
8           (as defined in section 803 of the Fair Debt  
9           Collection Practices Act) within the time  
10          period established by the Bureau;

11           “(iv) establish procedures to require  
12          each consumer reporting agency to review  
13          and monitor the quality of information re-  
14          ceived from any source, including informa-  
15          tion from public records, by regularly and  
16          on an ongoing basis comparing the infor-  
17          mation received to the information avail-  
18          able from the original source and ensuring  
19          that the information received is the most  
20          current information;

21           “(v) develop standards and procedures  
22          for consumer reporting agencies to identify  
23          furnishers that repeatedly fail to provide  
24          accurate and complete information, to take  
25          corrective action against such furnishers,



1 and to reject information submitted by  
2 such furnishers;

3 “(vi) develop standards and proce-  
4 dures for consumer reporting agencies to  
5 adopt regarding collection of public record  
6 data, including standards and procedures  
7 to consider the ultimate data source, how  
8 the public record information is filed and  
9 its availability and accessibility, and wheth-  
10 er information relating to the satisfaction  
11 of judgments or other updates to the pub-  
12 lic record are available on a reasonably  
13 timely basis from a particular source; and

14 “(vii) establish any other factors, pro-  
15 cedures, or processes determined by the  
16 Bureau to be necessary to assist consumer  
17 reporting agencies in achieving maximum  
18 possible accuracy and completeness of the  
19 information in consumer reports.

20 “(3) CORRECTIVE ACTION FOR FURNISHERS  
21 THAT REPEATEDLY FURNISH INACCURATE OR IN-  
22 COMPLETE INFORMATION.—Upon identifying a fur-  
23 nisher that repeatedly fails to furnish accurate, com-  
24 plete, or verifiable information to consumer report-  
25 ing agencies, the Bureau shall—

1           “(A) ensure the prompt removal of any ad-  
2           verse information relating to a consumer’s ac-  
3           counts submitted by such furnisher; and

4           “(B) take corrective action, which may in-  
5           clude—

6                   “(i) mandatory revised training and  
7                   training materials for the staff of the fur-  
8                   nisher regarding the furnishing of accurate  
9                   and complete information;

10                   “(ii) sharing industry best practices  
11                   and procedures regarding accuracy and  
12                   completeness; or

13                   “(iii) temporarily prohibiting a fur-  
14                   nisher from providing information to a  
15                   consumer reporting agency.”.

16 **SEC. 109. INCLUSION OF PUBLIC RECORD DATA SOURCES**  
17 **IN CONSUMER REPORTS.**

18           Section 605(d) of the Fair Credit Reporting Act (15  
19 U.S.C. 1681e(d)) is amended by adding at the end the  
20 following:

21                   “(3) PUBLIC RECORD DATA SOURCE.—Any con-  
22                   sumer reporting agency that furnishes a consumer  
23                   report that contains public record data shall also in-  
24                   clude in such report the source from which that data  
25                   was obtained, including the particular court, if any,

1 and the date that the data was initially reported or  
2 publicized.”.

3 **SEC. 110. INJUNCTIVE RELIEF FOR VICTIMS.**

4 (a) IN GENERAL.—The Fair Credit Reporting Act  
5 (15 U.S.C. 1681 et seq.) is amended—

6 (1) in section 616—

7 (A) in subsection (a), by amending the  
8 subsection heading to read as follows: “DAM-  
9 AGES”;

10 (B) by redesignating subsections (c) and  
11 (d) as subsections (d) and (e), respectively; and

12 (C) by inserting after subsection (b) the  
13 following new subsection:

14 “(c) INJUNCTIVE RELIEF.—In addition to any other  
15 remedy set forth in this section, a court may award injunc-  
16 tive relief to require compliance with the requirements im-  
17 posed under this title with respect to any consumer. In  
18 the event of any successful action for injunctive relief  
19 under this subsection, the court may award to the pre-  
20 vailing party costs and reasonable attorney fees (as deter-  
21 mined by the court) incurred during the action by such  
22 party.”; and

23 (2) in section 617—

1 (A) in subsection (a), by amending the  
2 subsection heading to read as follows: “DAM-  
3 AGES”;

4 (B) by redesignating subsection (b) as sub-  
5 section (c); and

6 (C) by inserting after subsection (a) the  
7 following new subsection:

8 “(b) INJUNCTIVE RELIEF.—In addition to any other  
9 remedy set forth in this section, a court may award injunc-  
10 tive relief to require compliance with the requirements im-  
11 posed under this title with respect to any consumer. In  
12 the event of any successful action for injunctive relief  
13 under this subsection, the court may award to the pre-  
14 vailing party costs and reasonable attorney fees (as deter-  
15 mined by the court) incurred during the action by such  
16 party.”.

17 (b) ENFORCEMENT BY FEDERAL TRADE COMMIS-  
18 SION.—Section 621(a)(2)(A) of the Fair Credit Reporting  
19 Act (15 U.S.C. 1681s(a)(2)(A)) is amended—

20 (1) by amending the subparagraph heading to  
21 read as follows: “NEGLIGENT, WILLFUL, OR KNOW-  
22 ING VIOLATIONS”; and

23 (2) by inserting “negligent, willful, or” before  
24 “knowing”.

1 **TITLE II—FREE CREDIT SCORES**  
2 **FOR CONSUMERS**

3 **SEC. 201. DEFINITIONS.**

4 (a) IN GENERAL.—Section 603 of the Fair Credit  
5 Reporting Act (15 U.S.C. 1681a) is amended by adding  
6 at the end the following new subsection:

7 “(bb) CREDIT SCORE AND EDUCATIONAL CREDIT  
8 SCORE DEFINITIONS.—

9 “(1) CREDIT SCORE.—The term ‘credit score’  
10 means a numerical value or a categorization derived  
11 from a statistical tool or modeling system used by a  
12 person who makes or arranges a loan or extends  
13 credit to predict the likelihood of certain credit be-  
14 haviors, including default, as determined by the Bu-  
15 reau.

16 “(2) EDUCATIONAL CREDIT SCORE.—The term  
17 ‘educational credit score’ means a numerical value or  
18 categorization derived from a statistical tool or mod-  
19 eling system based upon information from a con-  
20 sumer report that assists consumers in under-  
21 standing how a lender or creditor may view the con-  
22 sumer’s creditworthiness in deciding whether to  
23 make a loan or extend credit to that consumer.

24 “(3) KEY FACTORS.—The term ‘key factors’  
25 means any relevant elements or reasons affecting the

1 credit score for the particular individual, listed in  
2 the order of importance based on the effect of each  
3 element or reason on the credit score or educational  
4 credit score.

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

9 (b) CONFORMING AMENDMENTS.—The Fair Credit  
10 Reporting Act (15 U.S.C. 1681 et seq.) is amended—

11 (1) in section 605(d)(2), by striking “(as de-  
12 fined in section 609(f)(2)(B))”; and

13 (2) in section 615—

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

17 (B) in subsection (a)(2)(B), by striking  
18 “set forth in subparagraphs (B) through (E) of  
19 section 609(f)(1)” and inserting “with respect  
20 to a credit score described in section 609(f)(2),  
21 if available”.

22 **SEC. 202. CONSUMER INFORMATION ON CALCULATION OF**  
23 **SCORES.**

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

1       “(f) DISCLOSURE OF CREDIT SCORE AND EDU-  
2       CATIONAL CREDIT SCORE BY CONSUMER REPORTING  
3       AGENCIES.—

4               “(1) IN GENERAL.—Upon the request of a con-  
5       sumer for a credit score or educational credit score,  
6       a consumer reporting agency shall supply to the con-  
7       sumer a statement—

8                       “(A) containing—

9                               “(i) a current credit score at the time  
10                              of the request generated using a commonly  
11                              used credit scoring model to generate cred-  
12                              it scores, subject to regulations of the Bu-  
13                              reau;

14                             “(ii) an educational credit score at the  
15                             time of the request, if it is not practicable  
16                             to generate such a credit score, as deter-  
17                             mined by the Bureau; or

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

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

1           “(i) the date on which the credit score  
2           was generated;

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

5           “(iii) the credit score itself.

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

9           “(A) a minimum of four key factors, if  
10          available, that adversely affected the credit  
11          score or educational credit score, except that if  
12          one of the key factors consists of the number of  
13          enquiries made with respect to a consumer re-  
14          port, that factor shall be provided to the con-  
15          sumer in addition to the factors required by  
16          this subparagraph;

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

22          “(C) a minimum of four key factors, if  
23          available, that positively affected the credit  
24          score or educational credit score;



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

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

10           “(i) in the form of a bar graph con-  
11 taining a minimum of six 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, state-  
18 ment, or illustration comparing the con-  
19 sumer’s credit score or educational credit  
20 score to the scores of other consumers, as  
21 determined by the Bureau;

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

24           “(G) the name of the person that devel-  
25 oped the credit scoring model on which the

1 credit score or educational credit score was  
2 based.

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

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

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

17 “(4) MAINTENANCE OF CREDIT SCORES.—

18 “(A) IN GENERAL.—All consumer report-  
19 ing agencies shall maintain in the consumer’s  
20 file credit scores relating to the consumer for a  
21 period of 2 years from the date on which such  
22 information is generated.

23 “(B) DISCLOSURE ONLY TO CON-  
24 SUMERS.—A past credit score maintained in a  
25 consumer’s file pursuant to subparagraph (A)

1           may only be provided to the consumer to which  
2           the credit score relates and may not be included  
3           in a consumer report or used as a factor in gen-  
4           erating a credit score or educational credit  
5           score.

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

12   **SEC. 203. DISCLOSURES RELATING TO CREDIT SCORES AND**  
13                   **EDUCATIONAL CREDIT SCORES.**

14          Section 609(f) of the Fair Credit Reporting Act (15  
15   U.S.C. 1681g(f)), as amended by section 202, is further  
16   amended by adding at the end the following new para-  
17   graphs:

18                   “(5) WEBSITE DISCLAIMER.—A consumer re-  
19          porting agency that generates or provides credit  
20          scores or educational credit scores shall clearly and  
21          conspicuously display on the home page of the agen-  
22          cy’s Internet website, and as part of any application,  
23          solicitation, or marketing material or media pro-  
24          viding information related to a credit score or edu-  
25          cational credit score, the following notice, in boldface

1 type of 18-point font or larger and in a text box  
2 with boldface outer borders:

3 **“CREDIT SCORE DISCLAIMER.**

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

20 “(6) ADDITIONAL REQUIREMENTS FOR EDU-  
21 CATIONAL CREDIT SCORES.—

22 “(A) DISCLAIMER.—If an educational  
23 credit score is provided pursuant to paragraph  
24 (1), a consumer reporting agency shall clearly  
25 and conspicuously include in a prominent loca-

1           tion on the statement, in boldface type of 18-  
2           point font or larger, and in a text box with  
3           boldface outer borders, the following notice:

4   **“EDUCATIONAL CREDIT SCORE DISCLAIMER.**

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

17           “(1) Each company may use a different for-  
18   mula for calculating credit scores and the differences  
19   in the formulas may lead to differences in your  
20   scores.

21           “(2) Companies may produce scores that give  
22   results on different scales.

23           “(3) Not all lenders or creditors report to  
24   every consumer reporting agency, and therefore the  
25   information contained in your consumer report that

1 the consumer reporting agencies use to calculate  
2 your educational credit score may differ among  
3 agencies.’.

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

10 “(7) MODIFICATION OF DISCLAIMERS.—The  
11 Bureau may modify the content, format, and man-  
12 ner of the disclaimers required under paragraphs (5)  
13 and (6), if warranted, after conducting consumer  
14 testing or research.”.

15 **SEC. 204. FREE CREDIT SCORE DISCLOSURES AND CON-**  
16 **SUMER REPORTS.**

17 (a) IN GENERAL.—Section 612 of the Fair Credit  
18 Reporting Act (15 U.S.C. 1681j) is amended—

19 (1) in subsection (a)—

20 (A) in paragraph (1)—

21 (i) in subparagraph (A), by inserting  
22 after “section 609” the following: “(includ-  
23 ing the disclosure of a credit score or edu-  
24 cational credit score under subsection (f)  
25 of such section)”; and

- 1 (ii) in subparagraph (C)—
- 2 (I) by striking “Commission”
- 3 and inserting “Bureau”; and
- 4 (II) by inserting “, credit scores,
- 5 and educational credit scores (as ap-
- 6 plicable)” after “consumer reports”
- 7 each place that term appears;
- 8 (B) in paragraph (2)—
- 9 (i) by striking “15 days” and insert-
- 10 ing “3 business days”; and
- 11 (ii) by inserting “, credit score, or
- 12 educational credit score” after “consumer
- 13 report”;
- 14 (C) in paragraph (3), by inserting “, credit
- 15 score, or educational credit score” after “con-
- 16 sumer report”; and
- 17 (D) in paragraph (4), by inserting “, credit
- 18 scores, or educational credit scores” after “con-
- 19 sumer reports”;
- 20 (2) in subsection (b), by inserting “(including
- 21 the disclosure of a credit score or educational credit
- 22 score, as applicable, under subsection (f) of such sec-
- 23 tion)” after the first instance of “section 609”;
- 24 (3) in subsection (c)—

1 (A) by inserting “(including the disclosure  
2 of a credit score or educational credit score  
3 under subsection (f) of such section)” after  
4 “pursuant to section 609”;

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

7 (C) in paragraph (3), by striking the pe-  
8 riod at the end and inserting a semicolon; and

9 (D) by adding at the end the following new  
10 paragraphs:

11 “(4) has disputed information, or submitted an  
12 appeal of an investigation or reinvestigation of such  
13 information, under section 611 or 623, regardless of  
14 whether the consumer has already received a credit  
15 report, credit score, or educational credit score  
16 under section 611 or 623; or

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

22 (4) in subsection (d), by inserting “(including  
23 the disclosure of a credit score or educational credit  
24 score under subsection (f) of such section)” after  
25 “section 609”;



1 (5) in subsection (f)(1)—

2 (A) by striking “reasonable charge” and  
3 all that follows through “section 609” and in-  
4 serting “reasonable charge on a consumer for  
5 providing a consumer report to a consumer”;

6 (B) by striking subparagraph (B);

7 (C) by redesignating clauses (i) and (ii) as  
8 subparagraphs (A) and (B), respectively (and  
9 conforming the margins accordingly); and

10 (D) in subparagraph (B) (as so redesign-  
11 ated), by striking “disclosure; and” and insert-  
12 ing “disclosure.”; and

13 (6) by adding at the end the following new sub-  
14 sections:

15 “(h) CENTRALIZED SOURCE FOR OBTAINING FREE  
16 COPY OF CONSUMER REPORT AND SCORES.—

17 “(1) NATIONWIDE CONSUMER REPORTING  
18 AGENCIES.—

19 “(A) IN GENERAL.—Not later than 180  
20 days after the date of enactment of this sub-  
21 section, each consumer reporting agency de-  
22 scribed under subsection (p) of section 603  
23 shall prominently display on the home page of  
24 the agency’s website—

1           “(i) a hyperlink labeled ‘Get Your  
2           Free Annual Credit Reports along with ei-  
3           ther your Credit Scores or Educational  
4           Credit Scores provided for under Federal  
5           Law’ or substantially similar text, as deter-  
6           mined by the Bureau; and

7           “(ii) a disclosure titled ‘Consumer’s  
8           Right to Free Credit Scores, Educational  
9           Credit Scores, and Reports under Federal  
10          Law’ or substantially similar text, as deter-  
11          mined by the Bureau that includes the fol-  
12          lowing statement:

13          “‘All consumers are entitled to obtain a free copy of  
14          their consumer report and credit score or educational cred-  
15          it score annually from each of the nationwide consumer  
16          reporting agencies. Under Federal law, a consumer is enti-  
17          tled to obtain additional free copies of their consumer re-  
18          ports, along with a copy of either the consumer’s credit  
19          score or educational credit score (under certain cir-  
20          cumstances), including:

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

23                  “(2) When a consumer is a recipient of public  
24                  welfare assistance.

1           “(3) When a consumer has a reasonable belief  
2 that their report contains inaccuracies as a result of  
3 fraud.

4           “(4) When a consumer asserts in good faith a  
5 suspicion that the consumer has been or is about to  
6 become a victim of identity theft, fraud, or a related  
7 crime, or harmed by the unauthorized disclosure of  
8 the consumer’s financial or personally identifiable in-  
9 formation.

10           “(5) When a consumer files a dispute or an  
11 appeal of the results of a dispute with a consumer  
12 reporting agency or a person who furnished informa-  
13 tion to the consumer reporting agency regarding the  
14 accuracy or completeness of the information con-  
15 tained on their report.

16           “(6) After a furnisher of information discovers  
17 it has furnished inaccurate or incomplete informa-  
18 tion to a consumer reporting agency, and the fur-  
19 nisher notifies the agency of the error.

20           “(7) After an adverse action is taken against  
21 a consumer or a consumer receives a risk-based pric-  
22 ing notice.

23           “(8) When a mortgage lender, private edu-  
24 cational lender, indirect auto lender, or motor vehicle

1 lender obtains and uses a consumer's reports or  
2 scores for underwriting purposes.'.

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

11 “(C) MODIFICATIONS.—The Bureau may  
12 modify the disclosure described in subparagraph  
13 (A)(ii) as necessary to include other cir-  
14 cumstances under which a consumer has the  
15 right to receive a free consumer report, credit  
16 score, or educational credit score.

17 “(2) NATIONWIDE SPECIALTY CONSUMER RE-  
18 PORTING AGENCIES.—

19 “(A) IN GENERAL.—Not later than 180  
20 days after the date of enactment of this sub-  
21 section, each nationwide specialty consumer re-  
22 porting agency shall prominently display on the  
23 Internet home webpage of the agency a disclo-  
24 sure titled ‘Consumer’s Right to Free Con-  
25 sumer Reports and Credit Score or Educational

1           Credit Score (as applicable) under Federal  
2           Law'. Such disclosure shall include the fol-  
3           lowing statement:

4           “‘Upon request, all consumers are entitled to obtain  
5 a free copy of their consumer report and credit score or  
6 educational credit score (as applicable) during any 12-  
7 month period from each of the nationwide specialty con-  
8 sumer reporting agencies. Federal law also provides fur-  
9 ther circumstances under which a consumer is entitled to  
10 obtain additional free copies of their consumer report and  
11 credit score or educational credit score (as applicable) in-  
12 cluding:

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

15           “(2) When a consumer is a recipient of public  
16 welfare assistance.

17           “(3) When a consumer has a reasonable belief  
18 that their report contains inaccuracies as a result of  
19 fraud.

20           “(4) When a consumer files a dispute or an  
21 appeal of the results of a dispute with a consumer  
22 reporting agency or a person who furnished informa-  
23 tion to the consumer reporting agency regarding the  
24 accuracy or completeness of the information con-  
25 tained on their report.

1           “(5) After a furnisher of information discovers  
2           it has furnished inaccurate or incomplete informa-  
3           tion to a consumer reporting agency, and the fur-  
4           nisher notifies the agency of the error.

5           “(6) After an adverse action is taken against  
6           a consumer or a consumer receives a risk-based pric-  
7           ing notice.

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

12           “(B) MODIFICATIONS.—The Bureau may  
13          modify the disclosure described in subparagraph  
14          (A) as necessary to include other circumstances  
15          under which a consumer has the right to receive  
16          a free consumer report and credit score or edu-  
17          cational credit score (as applicable).

18           “(C) TOLL-FREE TELEPHONE ACCESS.—  
19          The information described in this paragraph  
20          shall also be made available via a toll-free tele-  
21          phone number. Such number shall be promi-  
22          nently displayed on the home page of the  
23          website of each nationwide specialty consumer  
24          reporting agency. Each of the circumstances  
25          under which a consumer may obtain a free con-

1 consumer report and credit score or educational  
2 credit score (as applicable) shall be presented in  
3 an easily understandable format and consumers  
4 shall be directed to an individual who is a cus-  
5 tomer service representative not later than 2  
6 minutes after the initial phone connection is  
7 made by the consumer. Information provided  
8 through such telephone number shall comply  
9 with the requirements of section 633.

10 “(D) ONLINE CONSUMER REPORTS; EX-  
11 EMPTION.—Upon receipt of a request by a con-  
12 sumer for a consumer report, each nationwide  
13 specialty consumer reporting agency shall pro-  
14 vide access to such report electronically on the  
15 Internet website described in section 611(h).

16 “(i) AUTOMATIC PROVISION OF FREE CONSUMER  
17 REPORTS AND CREDIT SCORES OR EDUCATIONAL CREDIT  
18 SCORES.—A consumer reporting agency shall provide to  
19 a consumer a free copy of the file and credit score or edu-  
20 cational credit score of the consumer who—

21 “(1) obtains a 1-year fraud alert, 7-year fraud  
22 alert, active duty alert, or security freeze as de-  
23 scribed in section 605A; or

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

4           (b) TECHNICAL AMENDMENT.—Section 615(h)(7) of  
5           such Act (15 U.S.C. 1681m(h)(7)) is amended by striking  
6           “section” each place such term appears and inserting  
7           “subsection”.

8           **SEC. 205. PROVISION OF CONSUMER REPORTS AND CREDIT**  
9                               **SCORES BY PRIVATE EDUCATIONAL LEND-**  
10                              **ERS.**

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

14           “(h) DISCLOSURE OF CONSUMER REPORTS AND  
15           CREDIT SCORES BY PRIVATE EDUCATIONAL LENDERS.—

16                       “(1) IN GENERAL.—If a private educational  
17           lender obtains a copy of any consumer reports or  
18           credit scores and uses such reports or scores in con-  
19           nection with an application of a consumer for a pri-  
20           vate education loan, the private educational lender  
21           shall provide to the consumer, not later than 3 busi-  
22           ness days after obtaining such reports or scores and  
23           before the date on which the consumer enters into  
24           a loan agreement with the private educational lend-



1 er, a copy of any such reports or scores, along with  
2 the statement described under subsection (f)(2).

3 “(2) COSTS.—None of the costs to the private  
4 educational lender associated with procuring con-  
5 sumer reports or credit scores under this subsection  
6 may be charged, directly or indirectly, to the con-  
7 sumer.

8 “(3) RULE OF CONSTRUCTION.—Nothing in  
9 this subsection shall be construed to eliminate any  
10 requirement for creditors and lenders to provide  
11 credit score disclosures, including the statement de-  
12 scribed under subsection (f)(2), to consumers as  
13 part of an adverse action or risk-based pricing no-  
14 tice.”.

15 **SEC. 206. PROVISION OF CONSUMER REPORTS AND CREDIT**  
16 **SCORES BY MOTOR VEHICLE LENDERS OR IN-**  
17 **DIRECT AUTO LENDERS.**

18 Section 609 of the Fair Credit Reporting Act (15  
19 U.S.C. 1681g), as amended by section 205, is further  
20 amended by adding at the end the following new sub-  
21 section:

22 “(i) DISCLOSURE OF CONSUMER REPORTS AND  
23 CREDIT SCORES USED BY MOTOR VEHICLE LENDERS OR  
24 INDIRECT AUTO LENDERS.—

1           “(1) IN GENERAL.—If a motor vehicle lender or  
2 indirect auto lender obtains a copy of any consumer  
3 reports or credit scores and uses such reports or  
4 scores in connection with an application of a con-  
5 sumer for a motor vehicle loan or lease, the motor  
6 vehicle lender or indirect auto lender shall provide to  
7 the consumer a document, separate from the con-  
8 sumer’s lease or purchase agreement and before the  
9 consumer enters into a lease or purchase agreement,  
10 disclosing any consumer reports and credit scores,  
11 including the statement described in subsection  
12 (f)(2), used by the lender to determine whether to  
13 extend credit to the consumer.

14           “(2) COSTS.—None of the costs to the motor  
15 vehicle lender or indirect auto lender associated with  
16 procuring consumer reports or credit scores under  
17 this subsection may be charged, directly or indi-  
18 rectly, to the consumer.

19           “(3) RULE OF CONSTRUCTION.—Nothing in  
20 this subsection shall be construed to eliminate any  
21 requirement for creditors and lenders to provide  
22 credit score disclosures, including the statement de-  
23 scribed under subsection (f)(2), to consumers as  
24 part of an adverse action or risk-based pricing no-  
25 tice.

1 “(4) DEFINITIONS.—

2 “(A) INDIRECT AUTO LENDER.—The term  
3 ‘indirect auto lender’ has the meaning given the  
4 term by the Bureau, and shall include a person  
5 extending a loan made with respect to a car,  
6 boat, motorcycle, recreational vehicle, or other  
7 similar vehicle used primarily for personal or  
8 household purposes.

9 “(B) MOTOR VEHICLE LENDER.—The  
10 term ‘motor vehicle lender’ has the meaning  
11 given the term by the Board of Governors of  
12 the Federal Reserve System, and shall include  
13 a person extending a loan made with respect to  
14 a car, boat, motorcycle, recreational vehicle, or  
15 other similar vehicle used primarily for personal  
16 or household purposes.”.

17 **SEC. 207. PROVISION OF CONSUMER REPORTS AND CREDIT**  
18 **SCORES BY RESIDENTIAL MORTGAGE LEND-**  
19 **ERS.**

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

22 (1) by redesignating paragraph (2) as para-  
23 graph (5);

24 (2) in paragraph (1)—

1 (A) by striking “a consumer credit score”  
2 and inserting “any consumer reports or credit  
3 scores”;

4 (B) by striking “, as defined in subsection  
5 (f),”;

6 (C) by striking “the following to the con-  
7 sumer as soon as reasonably practicable:” and  
8 inserting “, not later than 3 business days after  
9 using such reports or scores, a document dis-  
10 closing any consumer reports and credit scores  
11 used by the lender to determine whether to ex-  
12 tend credit to the consumer along with the  
13 statement described in subsection (f)(2).”;

14 (D) by striking subparagraphs (A), (B),  
15 (C), (E), and (F);

16 (E) by redesignating subparagraph (D) as  
17 paragraph (3) (and adjusting the margins ac-  
18 cordingly); and

19 (F) by redesignating subparagraph (G) as  
20 paragraph (4) (and adjusting the margins ac-  
21 cordingly);

22 (3) by inserting before paragraph (3) (as so  
23 designated) the following new paragraph:

24 “(2) RULE OF CONSTRUCTION.—Nothing in  
25 this subsection shall be construed to eliminate any

1 requirement for lenders to provide credit score dis-  
2 closures, including the statement described under  
3 subsection (f)(2), to consumers as part of an adverse  
4 action or risk-based pricing notice.”;

5 (4) in paragraph (3) (as so designated), in the  
6 quoted material—

7 (A) by inserting “, free of charge,” after  
8 “disclose to you”; and

9 (B) by striking “affecting your credit  
10 scores” and inserting “affecting your credit  
11 score or scores”;

12 (5) in paragraph (5) (as so redesignated) by in-  
13 serting “or scores” after “credit score” each place  
14 such term appears; and

15 (6) by adding at the end the following new  
16 paragraphs:

17 “(6) ACTIONS NOT REQUIRED.—This subsection  
18 shall not require any person to disclose any credit  
19 score or related information obtained by the person  
20 after a loan has closed.

21 “(7) NO PROCUREMENT COSTS.—None of the  
22 costs to the creditor or lender associated with pro-  
23 curing any consumer reports or scores under this  
24 subsection may be charged, directly or indirectly, to  
25 the consumer.”.

1 **TITLE III—STUDENT BORROWER**  
2 **CREDIT IMPROVEMENT ACT**

3 **SEC. 301. REMOVAL OF ADVERSE INFORMATION FOR CER-**  
4 **TAIN PRIVATE EDUCATION LOAN BOR-**  
5 **ROWERS.**

6 (a) IN GENERAL.—The Fair Credit Reporting Act  
7 (15 U.S.C. 1681 et seq.), as amended by section 405, is  
8 further amended by inserting after section 605D the fol-  
9 lowing new section:

10 **“§ 605E. Credit rehabilitation for distressed private**  
11 **education loan borrowers**

12 “(a) IN GENERAL.—A consumer reporting agency  
13 may not furnish any consumer report containing any ad-  
14 verse item of information relating to a delinquent or de-  
15 faulted private education loan of a borrower if the bor-  
16 rower has rehabilitated the borrower’s credit with respect  
17 to such loan by making nine on-time monthly payments  
18 (in accordance with the terms and conditions of the bor-  
19 rower’s original loan agreement or any other repayment  
20 agreement that antedates the original agreement) during  
21 a period of 10 consecutive months on such loan after the  
22 date on which the delinquency or default occurred.

23 “(b) INTERRUPTION OF 10-MONTH PERIOD FOR  
24 CERTAIN CONSUMERS.—

1           “(1) PERMISSIBLE INTERRUPTION OF THE 10-  
2 MONTH PERIOD.—A borrower may stop making con-  
3 secutive monthly payments and be granted a grace  
4 period after which the 10-month period described in  
5 subsection (a) shall resume. Such grace period shall  
6 be provided under the following circumstances:

7           “(A) With respect to a borrower who is a  
8 member of the Armed Forces entitled to incen-  
9 tive pay for the performance of hazardous duty  
10 under section 301 of title 37, United States  
11 Code, hazardous duty pay under section 351 of  
12 such title, or other assignment or special duty  
13 pay under section 352 of such title, the grace  
14 period shall begin on the date on which the bor-  
15 rower begins such assignment or duty and end  
16 on the date that is 6 months after the comple-  
17 tion of such assignment or duty.

18           “(B) With respect to a borrower who re-  
19 sides or works in an area affected by a major  
20 disaster or emergency declared under the Rob-  
21 ert T. Stafford Disaster Relief and Emergency  
22 Assistance Act, the grace period shall begin on  
23 the initial date of the incident period of the  
24 major disaster or emergency and end on the  
25 date that is the earlier of—

1           “(i) 6 months after the date on which  
2           the major disaster or emergency was de-  
3           clared; and

4           “(ii) the later of—

5                 “(I) 3 months after the date on  
6                 which the major disaster or emer-  
7                 gency was declared; and

8                 “(II) the date that the Director  
9                 of the Bureau, in consultation with  
10                the Administrator of the Federal  
11                Emergency Management Agency, de-  
12                termines is the date on which substan-  
13                tially all provision of assistance by the  
14                Federal Emergency Management  
15                Agency under such major disaster or  
16                emergency declaration has concluded.

17           “(2) OTHER CIRCUMSTANCES.—

18                 “(A) IN GENERAL.—The Bureau may  
19                 allow a borrower demonstrating hardship to  
20                 stop making consecutive monthly payments and  
21                 be granted a grace period after which the 10-  
22                 month period described in subsection (a) shall  
23                 resume.

24                 “(B) BORROWER DEMONSTRATING HARD-  
25                 SHIP DEFINED.—In this paragraph, the term



1           ‘borrower demonstrating hardship’ means a  
2           borrower or a class of borrowers who, as deter-  
3           mined by the Bureau, is facing or has experi-  
4           enced unusual extenuating life circumstances or  
5           events that result in severe financial or personal  
6           barriers, including homelessness (as defined by  
7           the Secretary of Housing and Urban Develop-  
8           ment), such that the borrower or class of bor-  
9           rowers does not have the capacity to comply  
10          with the requirements of subsection (a).

11          “(c) PROCEDURES.—The Bureau shall establish pro-  
12          cedures to implement the credit rehabilitation described  
13          in this section, including—

14                 “(1) the manner, content, and form for request-  
15                 ing credit rehabilitation;

16                 “(2) the method for validating that the bor-  
17                 rower is satisfying the requirements of subsection  
18                 (a);

19                 “(3) the manner, content, and form for noti-  
20                 fying the private educational loan holder of—

21                         “(A) the borrower’s participation in credit  
22                         rehabilitation under subsection (a);

23                         “(B) the requirements described in sub-  
24                         section (d); and

1           “(C) the restrictions described in sub-  
2           section (f);

3           “(4) the manner, content, and form for noti-  
4           fying a consumer reporting agency of—

5           “(A) the borrower’s participation in credit  
6           rehabilitation under subsection (a); and

7           “(B) the requirements described in sub-  
8           section (d);

9           “(5) the method for verifying whether a bor-  
10          rower qualifies for the grace period described in sub-  
11          section (b);

12          “(6) the manner, content, and form of notifying  
13          a consumer reporting agency and private educational  
14          loan holder that a borrower was granted a grace pe-  
15          riod.

16          “(d) STANDARDIZED REPORTING CODES.—A con-  
17          sumer reporting agency shall develop standardized report-  
18          ing codes for use by any private educational loan holder  
19          to identify and report a borrower’s status of making and  
20          completing nine on-time monthly payments during a pe-  
21          riod of 10 consecutive months on a delinquent or defaulted  
22          private education loan, including codes specifying the  
23          grace period described in subsection (b) and any agree-  
24          ment to modify monthly payments. Such codes shall not  
25          appear on any report provided to a third party, and shall

1 be removed from the consumer’s credit report upon the  
2 consumer’s completion of the rehabilitation period under  
3 this section as soon as possible, but in no case later than  
4 5 days after such completion.

5 “(e) ELIMINATION OF BARRIERS TO CREDIT REHA-  
6 BILITATION.—A consumer report in which a private edu-  
7 cational loan holder furnishes the standardized reporting  
8 codes described in subsection (d) to a consumer reporting  
9 agency, or in which a consumer reporting agency includes  
10 such codes, shall be deemed to comply with the require-  
11 ments for accuracy and completeness under sections  
12 607(b), 623(a)(1), and 632.

13 “(f) PROHIBITION ON CIVIL ACTIONS FOR CON-  
14 SUMERS PURSUING REHABILITATION.—A private edu-  
15 cational loan holder may not commence or proceed with  
16 any civil action against a borrower with respect to a delin-  
17 quent or defaulted loan during the period of rehabilitation  
18 if the private educational loan holder has been notified,  
19 in accordance with the procedures established by the Bu-  
20 reau pursuant to subsection (c)—

21 “(1) of such borrower’s intent to participate in  
22 rehabilitation;

23 “(2) that such borrower has satisfied the re-  
24 quirements under subsection (a); or

1           “(3) that such borrower was granted a grace  
2           period.

3           “(g) IMPACT ON STATUTE OF LIMITATIONS FOR  
4 PRIOR DEBT.—Payments by a borrower on a private edu-  
5 cation loan that are made during and after a period of  
6 rehabilitation under this section shall have no effect on  
7 the statute of limitations with respect to payments that  
8 were due on such private education loan before the begin-  
9 ning of the period of rehabilitation.

10          “(h) PAYMENT PLANS.—If a private educational loan  
11 holder enters into a payment plan with a borrower on a  
12 private education loan during a period of rehabilitation,  
13 such payment plan shall be reasonable and affordable, as  
14 determined by the Bureau.

15          “(i) RULES OF CONSTRUCTION.—

16               “(1) APPLICATION TO SUBSEQUENT DEFAULT  
17 OR DELINQUENCY.—A borrower who satisfies the re-  
18 quirements under subsection (a) shall be eligible for  
19 additional credit rehabilitation described in sub-  
20 section (a) with respect to any subsequent default or  
21 delinquency of the borrower on the rehabilitated pri-  
22 vate education loan.

23               “(2) INTERRUPTION OF CONSECUTIVE PAY-  
24 MENT PERIOD REQUIREMENT.—The grace period de-  
25 scribed in subsection (b)(1)(A) shall not apply if any

1 regulation promulgated under section 987 of title  
2 10, United States Code (commonly known as the  
3 Military Lending Act), or the Servicemembers Civil  
4 Relief Act (50 U.S.C. App. 501 et seq.) allows for  
5 a grace period or other interruption of the 10-month  
6 period described in subsection (a) and such grace pe-  
7 riod or other interruption is longer than the period  
8 described in subsection (b)(1)(A) or otherwise pro-  
9 vides greater protection or benefit to the borrower  
10 who is a member of the Armed Forces.”.

11 (b) TABLE OF CONTENTS AMENDMENT.—The table  
12 of contents of the Fair Credit Reporting Act, as amended  
13 by section 405, is further amended by inserting after the  
14 item relating to section 605D the following new item:

“605E. Credit rehabilitation for distressed private education loan borrowers who  
demonstrate a history of loan repayment.”.

15 (c) CONFORMING AMENDMENT.—Section 623(a)(1)  
16 of the Fair Credit Reporting Act (15 U.S.C. 1681s-  
17 2(a)(1)) is amended by striking subparagraph (E).

18 **SEC. 302. PRIVATE EDUCATION LOAN DEFINITIONS.**

19 Section 603 of the Fair Credit Reporting Act (15  
20 U.S.C. 1681a), as amended by section 201(a), is further  
21 amended by adding at the end the following new sub-  
22 section:

23 “(cc) PRIVATE EDUCATION LOAN DEFINITIONS.—  
24 The terms ‘private education loan’ and ‘private edu-

1 cational lender' have the meanings given such terms, re-  
2 spectively, in section 140(a) of the Truth in Lending  
3 Act.”.

4 **TITLE IV—CREDIT RESTORA-**  
5 **TION FOR VICTIMS OF PRED-**  
6 **ATORY ACTIVITIES AND UN-**  
7 **FAIR CONSUMER REPORTING**  
8 **PRACTICES**

9 **SEC. 401. ADVERSE CREDIT INFORMATION.**

10 (a) IN GENERAL.—Section 605 of the Fair Credit  
11 Reporting Act (15 U.S.C. 1681e), as amended by sections  
12 107, 109, and 201, is further amended—

13 (1) in subsection (a)—

14 (A) by striking “Except as authorized  
15 under subsection (b), no” and inserting “No”;

16 (B) in paragraph (1), by striking “10  
17 years” and inserting “7 years”;

18 (C) in paragraph (2), by striking “Civil  
19 suits, civil judgments, and records” and insert-  
20 ing “Records”;

21 (D) in paragraph (3), by striking “seven  
22 years” and inserting “4 years”;

23 (E) in paragraph (4), by striking “seven  
24 years” and inserting “4 years”;

25 (F) in paragraph (5)—

1 (i) by striking “, other than records of  
2 convictions of crimes”; and

3 (ii) by striking “seven years” and in-  
4 sserting “4 years”; and

5 (G) by adding at the end the following new  
6 paragraphs:

7 “(9) Civil suits and civil judgments (except as  
8 provided in paragraph (8)) that, from date of entry,  
9 antedate the report by more than 4 years or until  
10 the governing statute of limitations has expired,  
11 whichever is the longer period.

12 “(10) A civil suit or civil judgment—

13 “(A) brought by a private education loan  
14 holder that, from the date of successful comple-  
15 tion of credit restoration or rehabilitation in ac-  
16 cordance with the requirements of section 605D  
17 or 605E, antedates the report by 45 calendar  
18 days; or

19 “(B) brought by a lender with respect to  
20 a covered residential mortgage loan (as defined  
21 in section 605C(b)) that antedates the report  
22 by 45 calendar days.

23 “(11) Records of convictions of crimes which  
24 antedate the report by more than 7 years.

1           “(12) Any other adverse item of information re-  
2 relating to the collection of debt that did not arise  
3 from a contract or an agreement to pay by a con-  
4 sumer, including fines, tickets, and other assess-  
5 ments, as determined by the Bureau, excluding tax  
6 liability.”;

7           (2) by striking subsection (b) and redesignating  
8 subsections (c) through (h) as subsections (b)  
9 through (g), respectively; and

10           (3) in subsection (b) (as so redesignated), by  
11 striking “7-year period referred to in paragraphs (4)  
12 and (6)” and inserting “4-year period referred to in  
13 paragraphs (4) and (5)”.

14           (b) CONFORMING AMENDMENTS.—The Fair Credit  
15 Reporting Act (15 U.S.C. 1681) is amended—

16           (1) in section 616(e) (as redesignated by sec-  
17 tion 110(a)(1)(B)), by striking “section 605(g)”  
18 each place that term appears and inserting “section  
19 605(f)”; and

20           (2) in section 625(b)(5)(A), by striking “section  
21 605(g)” and inserting “section 605(f)”.

22           (c) PROHIBITION ON INCLUSION OF ARREST INFOR-  
23 MATION IF THERE IS NO CONVICTION.—Section 605(a)  
24 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),



1 as amended by section 809, is further amended by adding  
2 at the end the following:

3 “(20) Records of an arrest, if the consumer was  
4 not convicted of any crime in connection with the ar-  
5 rest.”.

6 **SEC. 402. EXPEDITED REMOVAL OF FULLY PAID OR SET-**  
7 **TLED DEBT FROM CONSUMER REPORTS.**

8 Section 605(a) of the Fair Credit Reporting Act (15  
9 U.S.C. 1681c(a)), as amended by section 401, is further  
10 amended by adding at the end the following new para-  
11 graph:

12 “(13) Any other adverse item of information re-  
13 lated to a fully paid or settled debt that had been  
14 characterized as delinquent, charged off, or in collec-  
15 tion which, from the date of payment or settlement,  
16 antedates the report by more than 45 calendar  
17 days.”.

18 **SEC. 403. MEDICAL DEBT COLLECTIONS.**

19 (a) **REMOVAL OF FULLY PAID OR SETTLED MED-**  
20 **ICAL DEBT FROM CONSUMER REPORTS.**—Section 605(a)  
21 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),  
22 as amended by section 402, is further amended by adding  
23 at the end the following new paragraph:

24 “(14) Any other adverse item of information re-  
25 lated to a fully paid or settled debt arising from the

1 receipt of medical services, products, or devices that  
2 had been characterized as delinquent, charged off, or  
3 in collection which, from the date of payment or set-  
4 tlement, antedates the report by more than 45 cal-  
5 endar days.”.

6 (b) ESTABLISHING AN EXTENDED TIME PERIOD BE-  
7 FORE CERTAIN MEDICAL DEBT INFORMATION MAY BE  
8 REPORTED.—Section 605(a) of the Fair Credit Reporting  
9 Act (15 U.S.C. 1681c(a)), as amended by subsection (a),  
10 is further amended by adding at the end the following new  
11 paragraph:

12 “(15) Any information related to a debt arising  
13 from the receipt of medical services, products, or de-  
14 vices, if the date on which such debt was placed for  
15 collection, charged to profit or loss, or subjected to  
16 any similar action antedates the report by less than  
17 365 calendar days.”.

18 (c) PROHIBITION ON REPORTING MEDICALLY NEC-  
19 ESSARY PROCEDURES.—Section 605(a) of the Fair Credit  
20 Reporting Act (15 U.S.C. 1681c(a)), as amended by sub-  
21 section (b), is further amended by adding at the end the  
22 following new paragraph:

23 “(16) Any information related to a debt arising  
24 from a medically necessary procedure.”.

1 (d) MEDICALLY NECESSARY PROCEDURE DE-  
2 FINED.—Section 603 of the Fair Credit Reporting Act (15  
3 U.S.C. 1681a), as amended by section 901, is further  
4 amended by adding at the end the following:

5 “(ee) MEDICALLY NECESSARY PROCEDURE.—The  
6 term ‘medically necessary procedure’ means—

7 “(1) health care services or supplies needed to  
8 diagnose or treat an illness, injury, condition, dis-  
9 ease, or its symptoms and that meet accepted stand-  
10 ards of medicine; and

11 “(2) health care to prevent illness or detect ill-  
12 ness at an early stage, when treatment is likely to  
13 work best (including preventive services such as pap  
14 tests, flu shots, and screening mammograms).”.

15 (e) TECHNICAL AMENDMENT.—Section 604(g)(1)(C)  
16 of the Fair Credit Reporting Act (15 U.S.C.  
17 1681b(g)(1)(C)) is further amended by striking “devises”  
18 and inserting “devices”.

19 **SEC. 404. CREDIT RESTORATION FOR VICTIMS OF PREDAT-**  
20 **TORY MORTGAGE LENDING AND SERVICING.**

21 (a) IN GENERAL.—The Fair Credit Reporting Act  
22 (15 U.S.C. 1681 et seq.) is amended by inserting after  
23 section 605B the following new section:

1 **“§ 605C. Credit restoration for victims of predatory**  
2 **mortgage lending**

3 “(a) IN GENERAL.—A consumer reporting agency  
4 may not furnish any consumer report containing any ad-  
5 verse item of information relating to a covered residential  
6 mortgage loan (including the origination and servicing of  
7 such a loan, any loss mitigation activities related to such  
8 a loan, and any foreclosure, deed in lieu of foreclosure,  
9 or short sale related to such a loan), if the action or inac-  
10 tion to which the item of information relates—

11 “(1) resulted from an unfair, deceptive, or abu-  
12 sive act or practice, or a fraudulent, discriminatory,  
13 or illegal activity of a financial institution, as deter-  
14 mined by the Bureau or a court of competent juris-  
15 diction; or

16 “(2) is related to an unfair, deceptive, or abu-  
17 sive act, practice, or a fraudulent, discriminatory, or  
18 illegal activity of a financial institution that is the  
19 subject of a settlement agreement initiated on behalf  
20 of a consumer or consumers and that is between the  
21 financial institution and an agency or department of  
22 a local, State, or Federal Government, regardless of  
23 whether such settlement includes an admission of  
24 wrongdoing.

25 “(b) COVERED RESIDENTIAL MORTGAGE LOAN DE-  
26 FINED.—In this section, the term ‘covered residential

1 mortgage loan’ means any loan primarily for personal,  
 2 family, or household use that is secured by a mortgage,  
 3 deed of trust, or other equivalent consensual security in-  
 4 terest on a dwelling (as defined in section 103(w) of the  
 5 Truth in Lending Act), including a loan in which the pro-  
 6 ceeds will be used for—

7           “(1) a manufactured home (as defined in sec-  
 8 tion 603 of the Housing and Community Develop-  
 9 ment Act of 1974);

10           “(2) any installment sales contract, land con-  
 11 tract, or contract for deed on a residential property;  
 12 or

13           “(3) a reverse mortgage transaction (as defined  
 14 in section 103 of the Truth in Lending Act).”.

15       (b) TABLE OF CONTENTS AMENDMENT.—The table  
 16 of contents of the Fair Credit Reporting Act is amended  
 17 by inserting after the item relating to section 605B the  
 18 following new item:

“605C. Credit restoration for victims of predatory mortgage lending.”.

19       (c) EFFECTIVE DATE.—The amendments made by  
 20 this section shall take effect at the end of the 18-month  
 21 period beginning on the date of the enactment of this Act.

22 **SEC. 405. CREDIT RESTORATION FOR CERTAIN PRIVATE**  
 23 **EDUCATION LOANS BORROWERS.**

24       (a) IN GENERAL.—The Fair Credit Reporting Act  
 25 (15 U.S.C. 1681 et seq.), as amended by section 404, is

1 further amended by inserting after section 605C the fol-  
2 lowing new section:

3 **“§ 605D. Credit restoration for certain private edu-**  
4 **cation loans borrowers**

5 “(a) PROCESS FOR CERTIFICATION AS A QUALIFYING  
6 PRIVATE EDUCATION LOAN BORROWER.—

7 “(1) IN GENERAL.—A consumer may submit a  
8 request to the Bureau, along with a defraudment  
9 claim, to be certified as a qualifying private edu-  
10 cation loan borrower with respect to a private edu-  
11 cation loan.

12 “(2) CERTIFICATION.—The Bureau shall certify  
13 a consumer described in paragraph (1) as a quali-  
14 fying private education loan borrower with respect to  
15 a private education loan if the Bureau or a court of  
16 competent jurisdiction determines that the consumer  
17 has a valid defraudment claim with respect to such  
18 loan.

19 “(b) REMOVAL OF ADVERSE INFORMATION.—Upon  
20 receipt of a notice described in subsection (d)(5), a con-  
21 sumer reporting agency shall remove any adverse informa-  
22 tion relating to any private education loan with respect  
23 to which a consumer is a qualifying private education loan  
24 borrower from any consumer report within 45 calendar  
25 days of receipt of such notification.

1       “(c) DISCLOSURE.—The Bureau shall disclose the re-  
2 sults of a certification determination in writing to the con-  
3 sumer that provides a clear and concise explanation of the  
4 basis for the determination of whether such consumer is  
5 a qualifying private education loan borrower with respect  
6 to a private education loan and, as applicable, an expla-  
7 nation of the consumer’s right to have adverse information  
8 relating to such loan removed from their consumer report  
9 by a consumer reporting agency.

10       “(d) PROCEDURES.—The Bureau shall—

11           “(1) establish procedures for a consumer to  
12 submit a request described in subsection (a);

13           “(2) establish procedures to efficiently review,  
14 accept, and process such a request;

15           “(3) develop ongoing outreach initiatives and  
16 education programs to inform consumers of the cir-  
17 cumstances under which such consumer may be eli-  
18 gible to be certified as a qualifying private education  
19 loan borrower with respect to a private education  
20 loan;

21           “(4) establish procedures, including the man-  
22 ner, form, and content of the notice informing a pri-  
23 vate educational loan holder of the prohibition on re-  
24 porting any adverse information relating to a private

1 education loan with respect to which a consumer is  
2 a qualifying private education loan borrower; and

3 “(5) establish procedures, including the man-  
4 ner, form, and content of the notice informing a con-  
5 sumer reporting agency of the obligation to remove  
6 any adverse information as described in subsection  
7 (c).

8 “(e) STANDARDIZED REPORTING CODES.—A con-  
9 sumer reporting agency shall develop standardized report-  
10 ing codes for use by private education loan holders to iden-  
11 tify and report a qualifying private education loan bor-  
12 rower’s status of a request to remove any adverse informa-  
13 tion relating to any private education loan with respect  
14 to which such consumer is a qualifying private education  
15 loan borrower. A consumer report in which a person fur-  
16 nishes such codes shall be deemed to comply with the re-  
17 quirements for accuracy and completeness required under  
18 sections 607(b), 623(a)(1), and 632. Such codes shall not  
19 appear on any report provided to a third party, and shall  
20 be removed from the consumer’s credit report upon the  
21 successful restoration of the consumer’s credit under this  
22 section.

23 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-  
24 poses of this section, the term ‘defraudment claim’ means  
25 a claim made with respect to a consumer who is a bor-



1 rower of a private education loan with respect to a propri-  
2 etary educational institution or career education program  
3 in which the consumer alleges that—

4 “(1) the proprietary educational institution or  
5 career education program—

6 “(A) engaged in an unfair, deceptive, or  
7 abusive act or practice, or a fraudulent, dis-  
8 criminatory, or illegal activity—

9 “(i) as defined by State law of the  
10 State in which the proprietary educational  
11 institution or career education program is  
12 headquartered or maintains or maintained  
13 significant operations; or

14 “(ii) under Federal law;

15 “(B) is the subject of an enforcement  
16 order, a settlement agreement, a memorandum  
17 of understanding, a suspension of tuition assist-  
18 ance, or any other action relating to an unfair,  
19 deceptive, or abusive act or practice that is be-  
20 tween the proprietary educational institution or  
21 career education program and an agency or de-  
22 partment of a local, State, or Federal Govern-  
23 ment; or

24 “(C) misrepresented facts to students or  
25 accrediting agencies or associations about grad-

1           uation or gainful employment rates in recog-  
2           nized occupations or failed to provide the  
3           coursework necessary for students to success-  
4           fully obtain a professional certification or de-  
5           gree from the proprietary educational institu-  
6           tion or career education program; or

7           “(2) the consumer has submitted a valid de-  
8           fense to repayment claim with respect to such loan,  
9           as determined by the Secretary of Education.”.

10          (b) **TABLE OF CONTENTS AMENDMENT.**—The table  
11 of contents of the Fair Credit Reporting Act, as amended  
12 by section 404, is further amended by inserting after the  
13 item relating to section 605C the following new item:

“605D. Credit restoration for certain private education loans borrowers.”.

14 **SEC. 406. FINANCIAL ABUSE PREVENTION.**

15          (a) **IN GENERAL.**—The Fair Credit Reporting Act  
16 (15 U.S.C. 1681 et seq.), as amended by section 301, is  
17 further amended by inserting after section 605E the fol-  
18 lowing new section:

19 **“§ 605F. Financial abuse prevention**

20          “For a consumer who is the victim of intentionally  
21 abusive or harmful financial behavior, as determined by  
22 a court of competent jurisdiction including a family court,  
23 juvenile court, or other court with personal jurisdiction,  
24 that was conducted by a spouse, family or household mem-  
25 ber, caregiver, or person with whom such consumer had

1 a dating relationship in a manner which resulted in the  
 2 inclusion of an adverse item of information on the con-  
 3 sumer report of the consumer, and the consumer did not  
 4 participate in or consent to such behavior, the consumer  
 5 may apply to a court of competent jurisdiction, including  
 6 a family court, juvenile court, or other court with personal  
 7 jurisdiction, for an order to require the removal of such  
 8 adverse information from the consumer’s file maintained  
 9 by any consumer reporting agency.”.

10 (b) TABLE OF CONTENTS AMENDMENT.—The table  
 11 of contents of the Fair Credit Reporting Act, as amended  
 12 by section 301, is further amended by inserting after the  
 13 item relating to section 605E the following new item:

“605F. Financial abuse prevention.”.

14 **SEC. 407. PROHIBITION OF CERTAIN FACTORS RELATED TO**  
 15 **FEDERAL CREDIT RESTORATION OR REHA-**  
 16 **BILITATION.**

17 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
 18 seq.), as amended by section 502, is further amended—

19 (1) by adding at the end the following new sec-  
 20 tion:

21 **“§ 632. Prohibition of certain factors related to Fed-**  
 22 **eral credit restoration or rehabilitation**

23 “(a) RESTRICTION ON CREDIT SCORING MODELS.—  
 24 A credit scoring model may not—

1           “(1) take into consideration, in a manner ad-  
2           verse to a consumer’s credit score or educational  
3           credit score, any information in a consumer report  
4           concerning the consumer’s participation in credit  
5           restoration or rehabilitation under section 605C,  
6           605D, or 605E; or

7           “(2) treat negatively, in a manner adverse to a  
8           consumer’s credit score or educational credit score,  
9           the absence of payment history data for an existing  
10          account, whether the account is open or closed,  
11          where the absence of such information is the result  
12          of a consumer’s participation in credit restoration or  
13          rehabilitation under section 605C, 605D, or 605E.

14          “(b) RESTRICTION ON PERSONS OBTAINING CON-  
15          SUMER REPORTS.—A person who obtains a consumer re-  
16          port may not—

17               “(1) take into consideration, in a manner ad-  
18               verse to a consumer, any information in a consumer  
19               report concerning the consumer’s participation in  
20               credit restoration or rehabilitation under section  
21               605C, 605D, or 605E; or

22               “(2) treat negatively the absence of payment  
23               history data for an existing account, whether the ac-  
24               count is open or closed, where the absence of such  
25               information is the result of a consumer’s participa-

1           tion in credit restoration or rehabilitation under sec-  
2           tion 605C, 605D, or 605E.

3           “(c) ACCURACY AND COMPLETENESS.—If a person  
4 who furnishes information to a consumer reporting agency  
5 requests the removal of information from a consumer re-  
6 port or a consumer reporting agency removes information  
7 from a consumer report in compliance with the require-  
8 ments under section 605C, 605D, or 605E, or such infor-  
9 mation was removed pursuant at section 605(a)(11), such  
10 report shall be deemed to satisfy the requirements for ac-  
11 curacy and completeness with respect to such information.

12           “(d) PROHIBITION RELATED TO ADVERSE ACTIONS  
13 AND RISK-BASED PRICING DECISIONS.—No person shall  
14 use information related to a consumer’s participation in  
15 credit restoration or rehabilitation under section 605C,  
16 605D, or 605E in connection with any determination of—

17                   “(1) the consumer’s eligibility or continued eli-  
18                   gibility for an extension of credit;

19                   “(2) the terms and conditions offered to a con-  
20                   sumer regarding an extension of credit; or

21                   “(3) an adverse action made for employment  
22                   purposes.”; and

23                   (2) in the table of contents for such Act, by in-  
24                   serting after the item relating to section 631 the fol-  
25                   lowing new item:

“632. Prohibition of certain factors related to Federal credit restoration or rehabilitation.”.

1     **TITLE V—CLARITY IN CREDIT**  
2                     **SCORE FORMATION**

3     **SEC. 501. CONSUMER BUREAU STUDY AND REPORT TO**  
4                     **CONGRESS ON THE IMPACT OF NON-TRADI-**  
5                     **TIONAL DATA.**

6             (a) STUDY.—The Bureau of Consumer Financial  
7 Protection shall carry out a study to assess the impact  
8 (including the availability and affordability of credit and  
9 other noncredit decisions, the potential positive and nega-  
10 tive impacts on consumer credit scores, and any unin-  
11 tended consequences) of using traditional modeling tech-  
12 niques or alternative modeling techniques to analyze non-  
13 traditional data from a consumer report and of including  
14 non-traditional data on consumer reports on the following:

15                     (1) Consumers with no or minimal traditional  
16 credit history.

17                     (2) Traditionally underserved communities and  
18 populations.

19                     (3) Consumers residing in rural areas.

20                     (4) Consumers residing in urban areas.

21                     (5) Racial and ethnic minorities and women.

22                     (6) Consumers across various income strata,  
23 particularly consumers earning less than 120 per-

1 cent of the area median income (as defined by the  
2 Secretary of Housing and Urban Development).

3 (7) Immigrants, refugees, and non-permanent  
4 residents.

5 (8) Minority financial institutions (as defined  
6 under section 308(b) of the Financial Institutions  
7 Reform, Recovery, and Enforcement Act of 1989  
8 (12 U.S.C. 1463 note)) and community financial in-  
9 stitutions.

10 (9) Consumers residing in federally assisted  
11 housing, including consumers receiving Federal rent-  
12 al subsidies.

13 (b) ADDITIONAL CONSIDERATIONS.—In assessing  
14 impacts under subsection (a), the Bureau of Consumer Fi-  
15 nancial Protection shall also consider impacts on—

16 (1) the privacy, security, and confidentiality of  
17 the financial, medical, and personally identifiable in-  
18 formation of consumers;

19 (2) the control of consumers over how such in-  
20 formation may or will be used or considered;

21 (3) the understanding of consumers of how  
22 such information may be used or considered and the  
23 ease with which a consumer may decide to restrict  
24 or prohibit such use or consideration of such infor-  
25 mation;

1 (4) potential discriminatory effects; and

2 (5) disparate outcomes the use or consideration  
3 of such information may cause.

4 (c) CONSIDERATION OF RECENT GOVERNMENT  
5 STUDIES.—In assessing impacts under subsection (a), the  
6 Bureau of Consumer Financial Protection shall also con-  
7 sider recent Government studies on alternative data, in-  
8 cluding—

9 (1) the report of the Bureau of Consumer Fi-  
10 nancial Protection titled “CFPB Data Point: Be-  
11 coming Credit Visible” (published June 2017); and

12 (2) the report of the Comptroller General of the  
13 United States titled “Financial Technology: Agen-  
14 cies Should Provide Clarification on Lenders’ Use of  
15 Alternative Data” (published December 2018).

16 (d) REPORT.—Not later than 1 year after the date  
17 of the enactment of this Act, the Bureau of Consumer Fi-  
18 nancial Protection shall issue a report to the Committee  
19 on Financial Services of the House of Representatives and  
20 the Committee on Banking, Housing, and Urban Affairs  
21 of the Senate containing all findings and determinations,  
22 including any recommendations for any legislative or regu-  
23 latory changes, made in carrying out the study required  
24 under subsection (a).

25 (e) DEFINITIONS.—In this section:



1           (1) ALTERNATIVE MODELING TECHNIQUES.—

2           The term “alternative modeling techniques” means  
3           statistical and mathematical techniques that are not  
4           traditional modeling techniques, including decision  
5           trees, random forests, artificial neural networks,  
6           nearest neighbor, genetic programming, and boost-  
7           ing algorithms.

8           (2) CONSUMER REPORT.—The term “consumer  
9           report” has the meaning given such term in section  
10          603 of the Fair Credit Reporting Act (15 U.S.C.  
11          1681a).

12          (3) NON-TRADITIONAL DATA.—The term “non-  
13          traditional data” means data related to tele-  
14          communications, utility payments, rent payments,  
15          remittances, wire transfers, data not otherwise regu-  
16          larly included in consumer reports issued by con-  
17          sumer reporting agencies described under section  
18          603(p), and such other items as the Bureau of Con-  
19          sumer Financial Protection deems appropriate.

20          (4) TRADITIONAL MODELING TECHNIQUES.—

21          The term “traditional modeling techniques” means  
22          statistical and mathematical techniques (including  
23          models, algorithms, linear and logistic regression  
24          methods, and their outputs) that are traditionally  
25          used in automated underwriting processes.

1 **SEC. 502. CONSUMER BUREAU OVERSIGHT OF CREDIT**  
2 **SCORING MODELS.**

3 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
4 seq.), as amended by section 701, is further amended—

5 (1) by adding at the end the following new sec-  
6 tion:

7 **“§ 631. Credit scoring models**

8 “(a) **VALIDATED CREDIT SCORING MODELS.**—Not  
9 later than 1 year after the date of the enactment of this  
10 section, the Bureau shall (in consultation with the Board  
11 of Governors of the Federal Reserve System, the Comp-  
12 troller of the Currency, the Board of Directors of the Fed-  
13 eral Deposit Insurance Corporation, and the National  
14 Credit Union Administration Board) issue final regula-  
15 tions applicable to any person that creates, maintains, uti-  
16 lizes, or purchases credit scoring models used in making  
17 credit decisions to establish standards for validating the  
18 accuracy and predictive value of all such credit scoring  
19 models, both before release for initial use and at regular  
20 intervals thereafter, for as long as such credit scoring  
21 models are made available for purchase or use by such  
22 person.

23 “(b) **PROHIBITION.**—At least once every 2 years, the  
24 Bureau shall conduct a review of credit scoring models to  
25 determine whether the use of any particular factors, or  
26 the weight or consideration given to certain factors by

1 credit scoring models, is inappropriate, including if such  
2 factors do not enhance or contribute to the accuracy and  
3 predictive value of the models. Upon the conclusion of its  
4 review, the Bureau may prohibit a person described in  
5 subsection (a) from weighing, considering, or including  
6 certain factors in, or making available for purchase or use,  
7 certain credit scoring models or versions, as the Bureau  
8 determines appropriate.”; and

9           (2) in the table of contents for such Act, as  
10       amended by section 701, by adding after the item  
11       relating to section 630 the following new item:

“631. Credit scoring models.”.

12 **SEC. 503. REVIEW OF CHANGES TO CREDIT SCORING MOD-**  
13 **ELS.**

14       Section 631 of the Fair Credit Reporting Act (15  
15 U.S.C. 1681 et seq.), as added by section 502, is amended  
16 by adding at the end the following:

17       “(c) REVIEW OF CHANGES TO CREDIT SCORING  
18 MODELS.—With respect to a person that creates credit  
19 scoring models used in making credit decisions, if such  
20 person creates a new credit scoring model (including a re-  
21 vision to an existing scoring model) that would, when com-  
22 pared to previous credit scoring models created by such  
23 person, lower the credit scores of a class of consumers,  
24 the Director of the Bureau may review such new credit  
25 scoring model and, if the Director determines that such

1 new credit scoring model is inappropriate (including, with  
2 respect to a revision to an existing scoring model, if such  
3 revision does not enhance or contribute to the accuracy  
4 and predictive value of the existing scoring model), the Di-  
5 rector may prohibit such new credit scoring model.”.

6 **TITLE VI—RESTRICTIONS ON**  
7 **CREDIT CHECKS FOR EM-**  
8 **PLOYMENT DECISIONS**

9 **SEC. 601. PROHIBITION ON THE USE OF CREDIT INFORMA-**  
10 **TION FOR MOST EMPLOYMENT DECISIONS.**

11 (a) IN GENERAL.—Section 604 of the Fair Credit  
12 Reporting Act (15 U.S.C. 1681b) is amended—

13 (1) in subsection (a)(3)(B), by inserting “, sub-  
14 ject to the requirements of subsection (b)” after  
15 “purposes”; and

16 (2) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) by amending the paragraph head-  
19 ing to read as follows: “USE OF CON-  
20 SUMER REPORTS FOR EMPLOYMENT PUR-  
21 POSES”;

22 (ii) in subparagraph (A), by redesign-  
23 ating clauses (i) and (ii) as subclauses (I)  
24 and (II), respectively (and conforming the  
25 margins accordingly);

1 (iii) by redesignating subparagraphs  
2 (A) and (B) as clauses (i) and (ii), respec-  
3 tively (and conforming the margins accord-  
4 ingly);

5 (iv) by striking the period at the end  
6 of clause (ii) (as so redesignated) and in-  
7 serting “; and”;

8 (v) by striking “agency may furnish”  
9 and inserting “agency—  
10 “(A) may furnish”; and

11 (vi) by adding at the end the following  
12 new subparagraph:

13 “(B) except as provided in paragraph (5),  
14 may not furnish a consumer report for employ-  
15 ment purposes, including for the purpose of de-  
16 nying employment, with respect to any con-  
17 sumer in which any information contained in  
18 the report bears on the consumer’s credit-  
19 worthiness, credit standing, or credit capacity.”;  
20 and

21 (B) by adding at the end the following new  
22 paragraphs:

23 “(5) REQUIREMENTS FOR CONSUMER REPORTS  
24 BEARING ON THE CONSUMER’S CREDITWORTHINESS,  
25 CREDIT STANDING, OR CREDIT CAPACITY.—

1           “(A) IN GENERAL.—A person may use a  
2 consumer report for employment purposes with  
3 respect to any consumer in which any informa-  
4 tion contained in the report bears on the con-  
5 sumer’s creditworthiness, credit standing, or  
6 credit capacity only if—

7           “(i)(I) the person is required to obtain  
8 the report by a Federal, State, or local law  
9 or regulation;

10           “(II) the information contained in the  
11 report is being used with respect to a na-  
12 tional security investigation (as defined in  
13 paragraph (4)(D)); or

14           “(III) the report is necessary for a  
15 background check or related investigation  
16 of financial information that is required by  
17 a Federal, State, or local law or regulation;

18           “(ii) none of the cost associated with  
19 obtaining the consumer report will be  
20 passed on to the consumer to whom the re-  
21 port relates; and

22           “(iii) the information contained in the  
23 consumer report will not be disclosed to  
24 any other person other than—

1                   “(I) in an aggregate format that  
2                   protects a consumer’s personally iden-  
3                   tifiable information; or

4                   “(II) as may be necessary to  
5                   comply with any applicable Federal,  
6                   State, or local equal employment op-  
7                   portunity law or regulation.

8                   “(B) DISCLOSURES.—A person who pro-  
9                   cures, or causes to be procured, a consumer re-  
10                  port described in subparagraph (A) for employ-  
11                  ment purposes shall, in the disclosure made  
12                  pursuant to paragraph (2), include—

13                  “(i) an explanation that a consumer  
14                  report is being obtained for employment  
15                  purposes;

16                  “(ii) the reasons for obtaining such a  
17                  report; and

18                  “(iii) the citation to the applicable  
19                  Federal, State, or local law or regulation  
20                  described in subparagraph (A)(i)(I).

21                  “(C) ADVERSE ACTIONS.—In using a con-  
22                  sumer report described in subparagraph (A) for  
23                  employment purposes and before taking an ad-  
24                  verse action based in whole or in part on the re-  
25                  port, the person intending to take such adverse

1           action shall, in addition to the information de-  
2           scribed in paragraph (3), provide to the con-  
3           sumer to whom the report relates—

4                   “(i) the name, address, and telephone  
5                   number of the consumer reporting agency  
6                   that furnished the report (including, for a  
7                   consumer reporting agency that compiles  
8                   and maintains files on consumers on a na-  
9                   tionwide basis, a toll-free telephone number  
10                  established by such agency);

11                  “(ii) the date on which the report was  
12                  furnished; and

13                  “(iii) the specific factors from the re-  
14                  port upon which the adverse action (as de-  
15                  fined in section 603(k)(1)(B)(ii)) was  
16                  based.

17                  “(D) NATIONAL SECURITY INVESTIGA-  
18                  TIONS.—The requirements of paragraph (4)  
19                  shall apply to a consumer report described  
20                  under subparagraph (A).

21                  “(E) NON-CIRCUMVENTION.—With respect  
22                  to a consumer report in which any information  
23                  contained in the report bears on the consumer’s  
24                  creditworthiness, credit standing, or credit ca-  
25                  pacity, if a person is prohibited from using the



1 consumer report pursuant to subparagraph (A),  
2 such person may not, directly or indirectly, ei-  
3 ther orally or in writing, require, request, sug-  
4 gest, or cause any employee or prospective em-  
5 ployee to submit such information to the person  
6 as a condition of employment.

7 “(F) NON-WAIVER.—A consumer may not  
8 waive the requirements of this paragraph with  
9 respect to a consumer report.

10 “(6) RULE OF CONSTRUCTION.—Nothing in  
11 this subsection shall be construed to require a con-  
12 sumer reporting agency to prevent a Federal, State,  
13 or local law enforcement agency from accessing in-  
14 formation in a consumer report to which the law en-  
15 forcement agency could otherwise obtain access.”.

16 (b) TECHNICAL AMENDMENT.—The Fair Credit Re-  
17 porting Act (15 U.S.C. 1681 et seq.) is amended by strik-  
18 ing “section 604(b)(4)(E)(i)” each place such term ap-  
19 pears and inserting “section 604(b)(4)(D)(i)”.

20 (c) RULE OF CONSTRUCTION.—The amendments  
21 made by this Act may not be construed as limiting the  
22 ability of a person to use non-financial or non-credit re-  
23 lated consumer report information.

1 **TITLE VII—PROHIBITION ON**  
2 **MISLEADING AND UNFAIR**  
3 **CONSUMER REPORTING**  
4 **PRACTICES**

5 **SEC. 701. PROHIBITION ON AUTOMATIC RENEWALS FOR**  
6 **PROMOTIONAL CONSUMER REPORTING AND**  
7 **CREDIT SCORING PRODUCTS AND SERVICES.**

8 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
9 seq.) is amended—

10 (1) by adding at the end the following new sec-  
11 tion:

12 **“§ 630. Promotional periods**

13 “(a) **TERMINATION NOTICE.**—With respect to any  
14 product or service related to a consumer report or a credit  
15 score that is provided to a consumer under promotional  
16 terms, the seller or provider of such product or service  
17 shall provide clear and conspicuous notice to the consumer  
18 within a reasonable period of time before the promotional  
19 period ends.

20 “(b) **OPT-IN.**—With respect to any such product or  
21 service, the seller or provider may not continue to sell or  
22 provide such product or service to the consumer after the  
23 end of the promotional period unless the consumer specifi-  
24 cally agrees at the end of the promotional period to con-  
25 tinue receiving the product or service.”; and

1           (2) in the table of contents for such Act, by in-  
2           serting after the item relating to section 629 the fol-  
3           lowing new item:

“630. Promotional periods.”.

4 **SEC. 702. PROHIBITION ON MISLEADING AND DECEPTIVE**  
5 **MARKETING RELATED TO THE PROVISION OF**  
6 **CONSUMER REPORTING AND CREDIT SCOR-**  
7 **ING PRODUCTS AND SERVICES.**

8           Section 609 of the Fair Credit Reporting Act (15  
9 U.S.C. 1681g), as amended by section 206, is further  
10 amended—

11           (1) in subsection (a)—

12           (A) in paragraph (1)—

13           (i) by striking “request, except” and  
14           all that follows through “consumer to  
15           whom” and inserting “request, unless the  
16           consumer to whom”;

17           (ii) by striking “disclosure; and” and  
18           inserting “disclosure.”; and

19           (iii) by striking subparagraph (B);  
20           and

21           (B) in paragraph (6), by inserting “or edu-  
22           cational credit score (if applicable) under sub-  
23           section (f) or section 612” before the period at  
24           the end; and

1           (2) by adding at the end the following new sub-  
2           section:

3           “(j) DISCLOSURES ON PRODUCTS AND SERVICES.—  
4           The Bureau, in consultation with the Federal Trade Com-  
5           mission, shall issue regulations within 18 months of the  
6           date of the enactment of this subsection requiring each  
7           consumer reporting agency and reseller to clearly and con-  
8           spicuously disclose all material terms and conditions, in-  
9           cluding any fee and pricing information associated with  
10          any products or services offered, advertised, marketed, or  
11          sold to consumers by the agency or reseller. Such disclo-  
12          sures shall be made in all forms of communication to con-  
13          sumers and displayed prominently on the agency or re-  
14          seller’s website and all other locations where products or  
15          services are offered, advertised, marketed, or sold to con-  
16          sumers.”.

17       **SEC. 703. PROHIBITION ON EXCESSIVE DIRECT-TO-CON-**  
18                               **SUMER SALES.**

19          The Fair Credit Reporting Act (15 U.S.C. 1681 et  
20          seq.), as amended by section 407, is further amended—

21               (1) by adding after section 632 the following  
22          new section:

1 **“§ 633. Fair and reasonable fees for products and**  
 2 **services**

3 “The Bureau may, with respect to any product or  
 4 service offered by a consumer reporting agency to a con-  
 5 sumer, set a fair and reasonable maximum fee that may  
 6 be charged for such product or service, except where such  
 7 maximum fee is otherwise provided under this title.”; and

8 (2) in the table of contents for such Act, by  
 9 adding at the end the following new item:

“633. Fair and reasonable fees for products and services.”.

10 **SEC. 704. FAIR ACCESS TO CONSUMER REPORTING AND**  
 11 **CREDIT SCORING DISCLOSURES FOR NON-**  
 12 **NATIVE ENGLISH SPEAKERS AND THE VIS-**  
 13 **UALLY AND HEARING IMPAIRED.**

14 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
 15 seq.), as amended by section 903, is further amended—

16 (1) by adding at the end the following new sec-  
 17 tion:

18 **“§ 635. Fair access to information for nonnative**  
 19 **English speakers and the visually and**  
 20 **hearing impaired**

21 “(a) IN GENERAL.—Not later than 180 days after  
 22 the date of the enactment of this section, the Bureau shall  
 23 issue a rule to require consumer reporting agencies and  
 24 persons who furnish information to consumer reporting

1 agencies under this title, to the maximum extent reason-  
2 ably practicable—

3 “(1) to provide any information, disclosures, or  
4 other communication with consumers—

5 “(A) in each of the 10 most commonly spo-  
6 ken languages, other than English, in the  
7 United States, as determined by the Bureau of  
8 the Census on an ongoing basis; and

9 “(B) in formats accessible to individuals  
10 with hearing or vision impairments; and

11 “(2) to ensure that—

12 “(A) customer service representatives, in-  
13 cluding employees assigned to handle disputes  
14 or appeals under sections 611 and 623, who are  
15 available to assist consumers are highly familiar  
16 with the requirements of this title;

17 “(B) such representatives are available  
18 during regular business hours and outside of  
19 regular business hours, including evenings and  
20 weekends; and

21 “(C) at least one among such representa-  
22 tives is fluent in each of the 10 most commonly  
23 spoken languages, other than English, in the  
24 United States, as determined by the Bureau of  
25 the Census on an ongoing basis.

1 “(b) BUREAU CONSULTATION.—The Bureau shall  
2 consult with advocates for civil rights, consumer groups,  
3 community groups, and organizations that serve tradition-  
4 ally underserved communities and populations in issuing  
5 the rule described in subsection (a).”; and

6 (2) in the table of contents for such Act, by  
7 adding at the end the following new item:

“635. Fair access to information for nonnative English speakers and the visually  
and hearing impaired.”.

8 **SEC. 705. COMPARISON SHOPPING FOR LOANS WITHOUT**  
9 **HARM TO CREDIT STANDING.**

10 Section 605 of the Fair Credit Reporting Act (15  
11 U.S.C. 1681c), as amended by section 401, is further  
12 amended by adding at the end the following new sub-  
13 section:

14 “(h) ENCOURAGING COMPARISON SHOPPING FOR  
15 LOANS.—

16 “(1) IN GENERAL.—With respect to multiple  
17 enquiries of the same type made to a consumer re-  
18 porting agency for a consumer report or credit score  
19 with respect to a consumer, any credit scoring model  
20 shall treat such enquiries as a single enquiry if the  
21 enquiries are made within a 120-day period.

22 “(2) DEFINITION OF ENQUIRIES OF THE SAME  
23 TYPE.—With respect to multiple enquiries made to  
24 a consumer reporting agency for a consumer report

1 or credit score with respect to a consumer, such  
2 enquiries are ‘of the same type’ if the consumer re-  
3 porting agency has reason to believe that the  
4 enquiries are all made for the purpose of deter-  
5 mining the consumer’s creditworthiness for an exten-  
6 sion of credit described in one of the following:

7 “(A) A covered residential mortgage loan  
8 (as defined in section 605C).

9 “(B) A motor vehicle loan or lease (as de-  
10 scribed in section 609(i)).

11 “(C) A private education loan.

12 “(D) Any other consumer financial product  
13 or service, as determined by the Bureau.”.

14 **SEC. 706. NATIONWIDE CONSUMER REPORTING AGENCIES**  
15 **REGISTRY.**

16 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
17 seq.), as amended by section 704, is further amended—

18 (1) by adding at the end the following new sec-  
19 tion:

20 **“§ 636. Nationwide consumer reporting agencies reg-  
21 istry**

22 “(a) IN GENERAL.—Not later than 1 year after the  
23 date of enactment of this section, the Bureau shall estab-  
24 lish and maintain a publicly accessible registry of con-  
25 sumer reporting agencies described in subsection (p) or



1 (x) of section 603 (and any other agencies the Bureau de-  
2 termines provide similar services to such consumer report-  
3 ing agencies) that includes current contact information of  
4 each such agency, including the Internet website address  
5 of the Internet website described under section 611(h),  
6 and information on how consumers can obtain their con-  
7 sumer report, credit scores, or educational credit scores  
8 (as applicable) by toll-free telephone, postal mail, or elec-  
9 tronic means.

10 “(b) REGISTRY REQUIREMENTS.—The registry de-  
11 scribed in subsection (a) shall—

12 “(1) identify the largest agencies and the mar-  
13 kets and demographics covered by such agencies;  
14 and

15 “(2) disclose, with respect to each agency,  
16 whether the agency is subject to the supervisory au-  
17 thority of the Bureau under this title.

18 “(c) INFORMATION UPDATES.—Each agency de-  
19 scribed under subsection (a) shall submit to the Bureau  
20 contact information for the registry, including any updates  
21 to such information. The Bureau shall—

22 “(1) independently verify information submitted  
23 by each agency; and

24 “(2) update the registry not less frequently  
25 than annually.”; and

1           (2) in the table of contents for such Act by add-  
2           ing at the end the following new item:

“636. Nationwide consumer reporting agencies registry.”.

3 **SEC. 707. PROTECTION FOR CERTAIN CONSUMERS AF-**  
4 **FECTED BY A SHUTDOWN.**

5           (a) DEFINITION OF EMPLOYEE AFFECTED BY A  
6 SHUTDOWN.—Section 603 of the Fair Credit Reporting  
7 Act (15 U.S.C. 1681a), as amended by section 901, is fur-  
8 ther amended by adding at the end the following:

9           “(ff) EMPLOYEE AFFECTED BY A SHUTDOWN.—  
10 With respect to a shutdown, the term ‘employee affected  
11 by a shutdown’ means a consumer who—

12           “(1) is an employee of—

13           “(A) the Federal Government, and who is  
14           furloughed or excepted from a furlough during  
15           the shutdown;

16           “(B) the District of Columbia, and who is  
17           furloughed or excepted from a furlough during  
18           the shutdown;

19           “(C) the District of Columbia Courts, and  
20           who is furloughed or excepted from a furlough  
21           during the shutdown;

22           “(D) the Public Defender Service for the  
23           District of Columbia, and who is furloughed or  
24           excepted from a furlough during the shutdown;

25           or

1           “(E) a Federal contractor (as defined  
2           under section 7101 of title 41, United States  
3           Code) or other business, and who has experi-  
4           enced a substantial reduction in pay (directly or  
5           indirectly) due to the shutdown; and

6           “(2) who—

7                 “(A) is listed in the database established  
8                 under section 63; or

9                 “(B) has self-certified pursuant to such  
10                 section.

11           “(gg) SHUTDOWN.—The term ‘shutdown’ means any  
12           period in which there is more than a 24-hour lapse in ap-  
13           propriations as a result of a failure to enact a regular ap-  
14           propriations bill or continuing resolution.

15           “(hh) COVERED SHUTDOWN PERIOD.—The term  
16           ‘covered shutdown period’ means, with respect to a shut-  
17           down, the period beginning on the first day of the shut-  
18           down and ending on the date that is 90 days after the  
19           last day of the shutdown.”.

20           (b) EXCLUSION FOR EMPLOYEES AFFECTED BY A  
21           SHUTDOWN.—Section 605(a) of the Fair Credit Reporting  
22           Act (15 U.S.C. 1681c(a)), as amended by section 809, is  
23           further amended by adding at the end the following:

24                 “(18) Any adverse item of information with re-  
25                 spect to an action or inaction taken during a covered

1 shutdown period by an employee affected by a shut-  
2 down.”.

3 (c) AMENDMENT TO SUMMARY OF RIGHTS FOR EM-  
4 PLOYEES AFFECTED BY A SHUTDOWN.—Section 609(a)  
5 of the Fair Credit Reporting Act (15 U.S.C. 1681g(a))  
6 is amended by adding at the end the following:

7 “(7) Information on the rights of an employee  
8 affected by a shutdown, including which consumers  
9 may be an employee affected by a shutdown and the  
10 process for a consumer to self-certify as an employee  
11 affected by a shutdown under section 637.”.

12 (d) DATABASE AND SELF-CERTIFICATION FOR EM-  
13 PLOYEES AFFECTED BY A SHUTDOWN.—

14 (1) IN GENERAL.—The Fair Credit Reporting  
15 Act (15 U.S.C. 1681 et seq.), as amended by section  
16 706, is further amended by adding at the end the  
17 following new section:

18 **“§ 637. Database and self-certification for employees**  
19 **affected by a shutdown**

20 “(a) DATABASE.—

21 “(1) IN GENERAL.—With respect to each shut-  
22 down, the consumer reporting agencies described in  
23 section 603(p) shall jointly establish a database that  
24 includes employees affected by the shutdown as re-  
25 ported pursuant to paragraph (2).

1           “(2) CONTENTS OF DATABASE.—

2                   “(A) FURLOUGHED EMPLOYEES AND CON-  
3           TRACTORS.—Each authority of the executive,  
4           legislative, or judicial branch of the Federal  
5           Government or District of Columbia shall pro-  
6           vide to the consumer reporting agencies de-  
7           scribed in section 603(p) a list identifying—

8                   “(i) employees of such authority that  
9                   are furloughed, excepted from furlough, or  
10                  not receiving pay because of a shutdown;  
11                  and

12                  “(ii) to the extent practicable, employ-  
13                  ees of contractors of such authority.

14                  “(B) SELF-CERTIFIED CONSUMERS.—A  
15                  consumer that self-certifies as an employee af-  
16                  fected by a shutdown pursuant to subsection  
17                  (b) shall be included in the database, unless the  
18                  Bureau determines such consumer is not an  
19                  employee affected by a shutdown.

20                  “(3) ACCESS TO DATABASE.—The consumer re-  
21                  porting agencies described in section 603(p) shall  
22                  make the database established under this subsection  
23                  available to the Bureau, other consumer reporting  
24                  agencies, furnishers of information to consumer re-  
25                  porting agencies, and users of consumer reports. A

1 consumer reporting agency described in section  
2 603(x) shall periodically access the database to con-  
3 firm the accuracy of information such an agency has  
4 that identifies a consumer as an employee affected  
5 by a shutdown.

6 “(b) SELF-CERTIFICATION PROCESS.—A consumer  
7 shall be deemed to be an employee affected by a shutdown  
8 if such consumer self-certifies through—

9 “(1) the website established under subsection  
10 (c); or

11 “(2) a toll-free telephone number established by  
12 a consumer reporting agency.

13 “(c) WEBSITE.—The consumer reporting agencies  
14 described in section 603(p) shall jointly establish a website  
15 for a consumer to self-certify as an employee affected by  
16 a shutdown. Such website may not include any advertise-  
17 ment or other solicitation.

18 “(d) OPT-OUT.—The consumer reporting agencies  
19 described in section 603(p) shall provided a process  
20 through the website described under subsection (c) for  
21 consumers to opt-out of having their name included in the  
22 database established under this section.”.

23 (2) TABLE OF CONTENTS AMENDMENT.—The  
24 table of contents of the Fair Credit Reporting Act,

1 as amended by section 706, is further amended by  
2 adding at the end the following new item:

“637. Database and self-certification for employees affected by a shutdown.”.

3 (e) PROHIBITION ON ADVERSE ACTIONS AGAINST  
4 EMPLOYEES AFFECTED BY A SHUTDOWN.—Section 604  
5 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is  
6 amended by adding at the end the following:

7 “(h) PROHIBITION ON ADVERSE ACTIONS AGAINST  
8 EMPLOYEES AFFECTED BY A SHUTDOWN.—If a user of  
9 a consumer report knows that a consumer is an employee  
10 affected by a shutdown, such user may not take an adverse  
11 action based on—

12 “(1) any adverse item of information contained  
13 in such report with respect to an action or inaction  
14 taken during a covered shutdown period by the em-  
15 ployee; or

16 “(2) information on the consumer included in  
17 the database established under section 637.”.

18 (f) BUREAU REGULATIONS OR GUIDANCE.—Not  
19 later than 30 days after the date of the enactment of this  
20 Act, the Director of the Bureau of Consumer Financial  
21 Protection shall issue rules or guidance, as appropriate,  
22 to carry out the requirements of this Act.

1 **TITLE**                   **VIII—PROTECTIONS**  
2       **AGAINST IDENTITY THEFT,**  
3       **FRAUD, OR A RELATED**  
4       **CRIME**

5 **SEC. 801. IDENTITY THEFT REPORT DEFINITION.**

6       (a) IN GENERAL.—Paragraph (4) of section 603(q)  
7 of the Fair Credit Reporting Act (15 U.S.C. 1681a(q)(4))  
8 is amended to read as follows:

9               “(4) IDENTITY THEFT REPORT.—The term  
10       ‘identity theft report’ has the meaning given that  
11       term by rule of the Bureau, and means, at a min-  
12       imum, a report—

13               “(A) that is a standardized affidavit that  
14       alleges that a consumer has been a victim of  
15       identity theft, fraud, or a related crime, or has  
16       been harmed by the unauthorized disclosure of  
17       the consumer’s financial or personally identifi-  
18       able information, that was developed and made  
19       available by the Bureau; or

20               “(B)(i) that alleges an identity theft,  
21       fraud, or a related crime, or alleges harm from  
22       the unauthorized disclosure of the consumer’s  
23       financial or personally identifiable information;

24               “(ii) that is a copy of an official, valid re-  
25       port filed by a consumer with an appropriate



1 Federal, State, or local law enforcement agency  
2 (including the United States Postal Inspection  
3 Service), or such other government agency  
4 deemed appropriate by the Bureau; and

5 “(iii) the filing of which subjects the per-  
6 son filing the report to criminal penalties relat-  
7 ing to the filing of false information if the in-  
8 formation in the report is actually false.”.

9 (b) RULEMAKING.—Not later than the end of the 2-  
10 year period beginning on the date of enactment of this  
11 Act, the Director of the Bureau of Consumer Financial  
12 Protection shall issue final rules to carry out the amend-  
13 ment made by subsection (a).

14 **SEC. 802. AMENDMENT TO PROTECTION FOR FILES AND**  
15 **CREDIT RECORDS OF PROTECTED CON-**  
16 **SUMERS.**

17 (a) AMENDMENT TO DEFINITION OF “FILE”.—Sec-  
18 tion 603(g) of the Fair Credit Reporting Act (15 U.S.C.  
19 1681a(g)) is amended by inserting “, except that such  
20 term excludes a record created pursuant to section  
21 605A(j)” after “stored”.

22 (b) AMENDMENT TO PROTECTION FOR FILES AND  
23 CREDIT RECORDS.—Section 605A(j) of the Fair Credit  
24 Reporting Act (15 U.S.C. 1681c–1(j)) is amended—

25 (1) in paragraph (1)—

1 (A) in subparagraph (B)(ii), by striking  
2 “an incapacitated person or a protected person”  
3 and inserting “a person”; and

4 (B) by amending subparagraph (E) to read  
5 as follows:

6 “(E) The term ‘security freeze’—

7 “(i) has the meaning given in sub-  
8 section (i)(1)(C); and

9 “(ii) with respect to a protected con-  
10 sumer for whom the consumer reporting  
11 agency does not have a file, means a  
12 record that is subject to a security freeze  
13 that a consumer reporting agency is pro-  
14 hibited from disclosing to any person re-  
15 questing the consumer report for the pur-  
16 pose of opening a new account involving  
17 the extension of credit.”; and

18 (2) in paragraph (4)(D), by striking “a pro-  
19 tected consumer or a protected consumer’s rep-  
20 resentative under subparagraph (A)(i)” and insert-  
21 ing “a protected consumer described under subpara-  
22 graph (A)(ii) or a protected consumer’s representa-  
23 tive”.

1 **SEC. 803. ENHANCEMENT TO FRAUD ALERT PROTECTIONS.**

2 Section 605A of the Fair Credit Reporting Act (15  
3 U.S.C. 1681c-1) is amended—

4 (1) in subsection (a)—

5 (A) in the subsection heading, by striking  
6 “ONE-CALL” and inserting “1-YEAR”;

7 (B) in paragraph (1)—

8 (i) in the paragraph heading, by strik-  
9 ing “INITIAL ALERTS” and inserting “IN  
10 GENERAL”;

11 (ii) by inserting “or has been or is  
12 about to be harmed by the unauthorized  
13 disclosure of the consumer’s financial or  
14 personally identifiable information,” after  
15 “identity theft,”;

16 (iii) in subparagraph (A)—

17 (I) by inserting “(which period  
18 may be extended upon request of the  
19 consumer or such representative)”  
20 after “1 year”; and

21 (II) by striking “and” at the end;

22 (iv) in subparagraph (B)—

23 (I) by inserting “1-year” before  
24 “fraud alert”; and

25 (II) by striking the period at the  
26 end and inserting “; and”; and

1 (v) by adding at the end the following  
2 new subparagraph:

3 “(C) upon the expiration of the period de-  
4 scribed in subparagraph (A) or any extension of  
5 such period, and in response to a direct request  
6 by the consumer or such representative, con-  
7 tinue the fraud alert for a period of 1 addi-  
8 tional year if the information asserted in this  
9 paragraph remains applicable.”; and

10 (C) in paragraph (2)—

11 (i) in the paragraph heading, by in-  
12 sserting “AND CREDIT OR EDUCATIONAL  
13 CREDIT SCORES” after “REPORTS”;

14 (ii) by inserting “1-year” before  
15 “fraud alert”;

16 (iii) in subparagraph (A), by inserting  
17 “and credit score or educational credit  
18 score” after “file”; and

19 (iv) in subparagraph (B), by striking  
20 “any request described in subparagraph  
21 (A)” and inserting “the consumer report-  
22 ing agency includes the 1-year fraud alert  
23 in the file of a consumer”;

24 (2) in subsection (b)—

1 (A) in the subsection heading, by striking  
2 “EXTENDED” and inserting “7-YEAR”;

3 (B) in paragraph (1)—

4 (i) in subparagraph (A), by inserting  
5 “(which period may be extended upon re-  
6 quest of the consumer or such representa-  
7 tive)” after “7-year period beginning on  
8 the date of such request”;

9 (ii) in subparagraph (B)—

10 (I) by striking “the 5-year period  
11 beginning on the date of such re-  
12 quest” and inserting “such 7-year pe-  
13 riod (including any extension of such  
14 period)”; and

15 (II) by striking “and” at the end;

16 (iii) in subparagraph (C)—

17 (I) by striking “extended” and  
18 inserting “7-year”; and

19 (II) by striking the period at the  
20 end and inserting “; and”; and

21 (iv) by adding at the end the following  
22 new subparagraph:

23 “(D) upon the expiration of such 7-year  
24 period or any extension of such period, and in  
25 response to a direct request by the consumer or

1 such representative, continue the fraud alert for  
2 a period of 7 additional years if the consumer  
3 or such representative submits an updated iden-  
4 tity theft report.”; and

5 (C) in paragraph (2)—

6 (i) in the paragraph heading, by in-  
7 serting “AND CREDIT OR EDUCATIONAL  
8 CREDIT SCORES” after “REPORTS”; and

9 (ii) by amending subparagraph (A) to  
10 read as follows:

11 “(A) disclose to the consumer that the con-  
12 sumer may request a free copy of the file and  
13 credit score or educational credit score of the  
14 consumer pursuant to section 612(d) during  
15 each 12-month period beginning on the date on  
16 which the 7-year fraud alert was included in the  
17 file and ending on the date of the last day that  
18 the 7-year fraud alert applies to the consumer’s  
19 file; and”;

20 (3) in subsection (c)—

21 (A) in paragraph (1), by inserting “or edu-  
22 cational credit score” after “credit score”;

23 (B) by redesignating paragraphs (1), (2),  
24 and (3), as subparagraphs (A), (B), and (C),

1           respectively (and conforming the margins ac-  
2           cordingly);

3           (C) by striking “Upon the direct request”  
4           and inserting:

5           “(1) IN GENERAL.—Upon the direct request”;

6           and

7           (D) by adding at the end the following new  
8           paragraph:

9           “(2) ACCESS TO FREE REPORTS AND CREDIT  
10          OR EDUCATIONAL CREDIT SCORES.—If a consumer  
11          reporting agency includes an active duty alert in the  
12          file of an active duty uniformed consumer, the con-  
13          sumer reporting agency shall—

14                 “(A) disclose to the active duty uniformed  
15                 consumer that the active duty uniformed con-  
16                 sumer may request a free copy of the file and  
17                 credit score or educational credit score of the  
18                 active duty uniformed consumer pursuant to  
19                 section 612(d), during each 12-month period  
20                 beginning on the date that the activity duty  
21                 alert is requested and ending on the date of the  
22                 last day the active duty alert applies to the file  
23                 of the active duty uniformed consumer; and

24                 “(B) provide to the active duty uniformed  
25                 consumer all disclosures required to be made

1 under section 609, without charge to the con-  
2 sumer, not later than 3 business days after any  
3 request described in subparagraph (A).”;

4 (4) by amending subsection (d) to read as fol-  
5 lows:

6 “(d) PROCEDURES.—Each consumer reporting agen-  
7 cy described in section 603(p) shall include on the  
8 webpage required under subsection (i) policies and proce-  
9 dures to comply with this section, including policies and  
10 procedures—

11 “(1) that inform consumers of the availability  
12 of 1-year fraud alerts, 7-year fraud alerts, active  
13 duty alerts, and security freezes (as applicable);

14 “(2) that allow consumers to request 1-year  
15 fraud alerts, 7-year fraud alerts, and active duty  
16 alerts (as applicable) and to place, temporarily lift,  
17 or fully remove a security freeze in a simple and  
18 easy manner; and

19 “(3) for asserting in good faith a suspicion that  
20 the consumer has been or is about to become a vic-  
21 tim of identity theft, fraud, or a related crime, or  
22 harmed by the unauthorized disclosure of the con-  
23 sumer’s financial or personally identifiable informa-  
24 tion, for a consumer seeking a 1-year fraud alert or  
25 security freeze.”;



1           (5) in subsection (e), by inserting “1-year or 7-  
2           year” before “fraud alert”;

3           (6) in subsection (f), by striking “or active duty  
4           alert” and inserting “active duty alert, or security  
5           freeze (as applicable)”;

6           (7) in subsection (g)—

7                 (A) by inserting “or has been harmed by  
8                 the unauthorized disclosure of the consumer’s  
9                 financial or personally identifiable information,  
10                or to inform such agency of the consumer’s par-  
11                ticipation in credit restoration or rehabilitation  
12                under section 605C, 605D, or 605E,” after  
13                “identity theft,”; and

14               (B) by inserting “or security freezes” after  
15                “request alerts”;

16           (8) in subsection (h)—

17               (A) in paragraph (1)—

18                   (i) in the paragraph heading, by strik-  
19                   ing “INITIAL” and inserting “1-YEAR”; and

20                   (ii) by striking “initial” and inserting  
21                   “1-year” each place such term appears;

22                and

23                (B) in paragraph (2)—

1 (i) in the paragraph heading, by strik-  
2 ing “EXTENDED” and inserting “7-YEAR”;  
3 and

4 (ii) by striking “extended” and insert-  
5 ing “7-year” each place such term appears;  
6 and

7 (9) in subsection (i)(4)—

8 (A) by striking subparagraphs (E) and (I);  
9 and

10 (B) by redesignating subparagraphs (F),  
11 (G), (H), and (J) as subparagraphs (E), (F),  
12 (G), and (H), respectively.

13 **SEC. 804. AMENDMENT TO SECURITY FREEZES FOR CON-**  
14 **SUMER REPORTS.**

15 (a) IN GENERAL.—Section 605A(i) of the Fair Credit  
16 Reporting Act (15 U.S.C. 1681c–1(i)) is amended—

17 (1) by amending the subsection heading to read  
18 as follows: “SECURITY FREEZES FOR CONSUMER  
19 REPORTS”;

20 (2) in paragraph (3)(E), by striking “Upon re-  
21 ceiving” and all that follows through “subparagraph  
22 (C),” and inserting “Upon receiving a direct request  
23 from a consumer for a temporary removal of a secu-  
24 rity freeze, a consumer reporting agency shall”;

25 (3) by adding at the end the following:

1           “(7) RELATION TO STATE LAW.—This sub-  
2           section does not modify or supersede the laws of any  
3           State relating to security freezes or other similar ac-  
4           tions, except to the extent those laws are incon-  
5           sistent with any provision of this title, and then only  
6           to the extent of the inconsistency. For purposes of  
7           this subsection, a term or provision of a State law  
8           is not inconsistent with the provisions of this sub-  
9           section if the term or provision affords greater pro-  
10          tection to the consumer than the protection provided  
11          under this subsection as determined by the Bu-  
12          reau.”.

13          (b) AMENDMENT TO WEBPAGE REQUIREMENTS.—  
14          Section 605A(i)(6)(A) of the Fair Credit Reporting Act  
15          (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

16                 (1) in clause (ii), by striking “initial fraud  
17                 alert” and inserting “1-year fraud alert”;

18                 (2) in clause (iii), by striking “extended fraud  
19                 alert” and inserting “7-year fraud alert”; and

20                 (3) in clause (iv), by striking “fraud”.

21          (c) AMENDMENT TO EXCEPTIONS FOR CERTAIN  
22          PERSONS.—Section 605A(i)(4)(A) of the Fair Credit Re-  
23          porting Act (15 U.S.C. 1681c–1(i)(4)(A)) is amended to  
24          read as follows:

1           “(A) A person, or the person’s subsidiary,  
 2           affiliate, agent, subcontractor, or assignee with  
 3           whom the consumer has, or prior to assignment  
 4           had, an authorized account, contract, or debtor-  
 5           creditor relationship for the purposes of review-  
 6           ing the active account or collecting the financial  
 7           obligation owed on the account, contract, or  
 8           debt.”.

9           (d) **EFFECTIVE DATE.**—The amendments made by  
 10 subsection (a) shall take effect on the date of the enact-  
 11 ment of this Act.

12 **SEC. 805. CLARIFICATION OF INFORMATION TO BE IN-**  
 13 **CLUDED WITH AGENCY DISCLOSURES.**

14           Section 609(c)(2) of the Fair Credit Reporting Act  
 15 (15 U.S.C. 1681g(c)(2)) is amended—

16           (1) in subparagraph (B)—

17                   (A) by striking “consumer reporting agen-  
 18                   cy described in section 603(p)” and inserting  
 19                   “consumer reporting agency described in sub-  
 20                   section (p) or (x) of section 603”;

21                   (B) by striking “the agency” and inserting  
 22                   “such an agency”; and

23                   (C) by inserting “and an Internet website  
 24                   address” after “hours”; and

1           (2) in subparagraph (E), by striking “outdated  
2           under section 605 or” and inserting “outdated, re-  
3           quired to be removed, or”.

4 **SEC. 806. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**  
5 **TIMS.**

6           Section 609(e) of the Fair Credit Reporting Act (15  
7 U.S.C. 1681g(e)) is amended—

8           (1) in paragraph (1)—

9                 (A) by striking “resulting from identity  
10                theft”;

11               (B) by striking “claim of identity theft”  
12               and inserting “claim of fraudulent activity”;  
13               and

14               (C) by striking “any transaction alleged to  
15               be a result of identity theft” and inserting “any  
16               fraudulent transaction”;

17           (2) in paragraph (2)(B)—

18               (A) by striking “identity theft, at the elec-  
19               tion of the business entity” and inserting  
20               “fraudulent activity”;

21               (B) by amending clause (i) to read as fol-  
22               lows:

23                         “(i) a copy of an identity theft report;  
24                         or”; and

1 (C) by amending clause (ii) to read as fol-  
2 lows:

3 “(ii) an affidavit of fact that is ac-  
4 ceptable to the business entity for that  
5 purpose.”;

6 (3) in paragraph (3), by striking “identity  
7 theft” and inserting “fraudulent activity”;

8 (4) by striking paragraph (8) and redesignating  
9 paragraphs (9) through (13) as paragraphs (8)  
10 through (12), respectively; and

11 (5) in paragraph (10) (as so redesignated), by  
12 striking “or a similar crime” and inserting “, fraud,  
13 or a related crime”.

14 **SEC. 807. REQUIRED BUREAU TO SET PROCEDURES FOR**  
15 **REPORTING IDENTITY THEFT, FRAUD, AND**  
16 **OTHER RELATED CRIME.**

17 Section 621(f)(2) of the Fair Credit Reporting Act  
18 (15 U.S.C. 1681s(f)(2)) is amended—

19 (1) in the paragraph heading, by striking  
20 “MODEL FORM” and inserting “STANDARDIZED AF-  
21 FIDAVIT”;

22 (2) by striking “The Commission” and insert-  
23 ing “The Bureau”;

24 (3) by striking “model form” and inserting  
25 “standardized affidavit”;

1           (4) by inserting after “identity theft” the fol-  
2           lowing: “, fraud, or a related crime, or otherwise are  
3           harmed by the unauthorized disclosure of the con-  
4           sumer’s financial or personally identifiable informa-  
5           tion,”; and

6           (5) by striking “fraud.” and inserting “identity  
7           theft, fraud, or other related crime. Such standard-  
8           ized affidavit and procedures shall not include a re-  
9           quirement that a consumer obtain a police report.”.

10 **SEC. 808. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**  
11 **TORING AND IDENTITY THEFT PROTECTION**  
12 **SERVICES FOR CERTAIN CONSUMERS.**

13           (a) **ENFORCEMENT OF CREDIT MONITORING FOR**  
14 **SERVICEMEMBERS.—**

15           (1) **IN GENERAL.—**Subsection (k) of section  
16           605A (15 U.S.C. 1681c–1(a)) is amended by strik-  
17           ing paragraph (4).

18           (2) **EFFECTIVE DATE.—**This subsection and the  
19           amendment made by this subsection shall take effect  
20           on the date of the enactment of this Act.

21           (b) **FREE CREDIT MONITORING AND IDENTITY**  
22 **THEFT PROTECTION SERVICES FOR CERTAIN CON-**  
23 **SUMERS.—**Subsection (k) of section 605A (15 U.S.C.  
24 1681c–1), is amended to read as follows:

1       “(k) CREDIT MONITORING AND IDENTITY THEFT  
2 PROTECTION SERVICES.—

3           “(1) IN GENERAL.—Upon the direct request of  
4 a consumer, a consumer reporting agency described  
5 in section 603(p) that maintains a file on the con-  
6 sumer and has received appropriate proof of the  
7 identity of the requester (as described in section  
8 1022.123 of title 12, Code of Federal Regulations)  
9 shall provide the consumer with credit monitoring  
10 and identity theft protection services not later than  
11 1 business day after receiving such request sent by  
12 postal mail, toll-free telephone, or secure electronic  
13 means as established by the agency.

14           “(2) FEES.—

15           “(A) CLASSES OF CONSUMERS.—The Bu-  
16 reau may establish classes of consumers eligible  
17 to receive credit monitoring and identity theft  
18 protection services free of charge.

19           “(B) NO FEE.—A consumer reporting  
20 agency described in section 603(p) may not  
21 charge a consumer a fee to receive credit moni-  
22 toring and identity theft protection services if  
23 the consumer or a representative of the con-  
24 sumer—



1           “(i) asserts in good faith a suspicion  
2           that the consumer has been or is about to  
3           become a victim of identity theft, fraud, or  
4           a related crime, or harmed by the unau-  
5           thorized disclosure of the consumer’s fi-  
6           nancial or personally identifiable informa-  
7           tion;

8           “(ii) is unemployed and intends to  
9           apply for employment in the 60-day period  
10          beginning on the date on which the request  
11          is made;

12          “(iii) is a recipient of public welfare  
13          assistance;

14          “(iv) is an active duty uniformed con-  
15          sumer or a member of the National Guard  
16          (as defined in section 101(c) of title 10,  
17          United States Code);

18          “(v) is 65 years of age or older; or

19          “(vi) is a member of a class estab-  
20          lished by the Bureau under subparagraph  
21          (A).

22          “(3) BUREAU RULEMAKING.—The Bureau shall  
23          issue regulations—

1           “(A) to define the scope of credit moni-  
2           toring and identity theft protection services re-  
3           quired under this subsection; and

4           “(B) to set a fair and reasonable fee that  
5           a consumer reporting agency may charge a con-  
6           sumer (other than a consumer described under  
7           paragraph (2)(B)) for such credit monitoring  
8           and identity theft protection services.

9           “(4) RELATION TO STATE LAW.—This sub-  
10          section does not modify or supersede of the laws of  
11          any State relating to credit monitoring and identity  
12          theft protection services or other similar actions, ex-  
13          cept to the extent those laws are inconsistent with  
14          any provision of this title, and then only to the ex-  
15          tent of the inconsistency. For purposes of this sub-  
16          section, a term or provision of a State law is not in-  
17          consistent with the provisions of this subsection if  
18          the term or provision affords greater protection to  
19          the consumer than the protection provided under  
20          this subsection as determined by the Bureau.”.

21          (c) RULEMAKING.—Not later than the end of the 2-  
22          year period beginning on the date of enactment of this  
23          Act, the Director of the Bureau of Consumer Financial  
24          Protection shall issue final rules to carry out the amend-  
25          ment made by subsection (b).

1 **SEC. 809. ENSURES REMOVAL OF INQUIRIES RESULTING**  
2 **FROM IDENTITY THEFT, FRAUD, OR OTHER**  
3 **RELATED CRIME FROM CONSUMER REPORTS.**

4 Section 605(a) of the Fair Credit Reporting Act (15  
5 U.S.C. 1681c(a)), as amended by section 403, is further  
6 amended by adding at the end the following:

7 “(17) Information about inquiries made for a  
8 credit report based on requests that the consumer  
9 reporting agency verifies were initiated as the result  
10 of identity theft, fraud, or other related crime.”.

11 **TITLE IX—MISCELLANEOUS**

12 **SEC. 901. DEFINITIONS.**

13 Section 603 of the Fair Credit Reporting Act (15  
14 U.S.C. 1681a), as amended by section 302, is further  
15 amended by adding at the end the following:

16 “(dd) DEFINITIONS RELATED TO DAYS.—

17 “(1) CALENDAR DAY; DAY.—The term ‘calendar  
18 day’ or ‘day’ means a calendar day, excluding any  
19 federally recognized holiday.

20 “(2) BUSINESS DAY.—The term ‘business day’  
21 means a day between and including Monday to Fri-  
22 day, and excluding any federally recognized holi-  
23 day.”.

1 **SEC. 902. TECHNICAL CORRECTION RELATED TO RISK-**  
2 **BASED PRICING NOTICES.**

3 Section 615(h)(8) of the Fair Credit Reporting Act  
4 (15 U.S.C. 1681m) is amended—

5 (1) in subparagraph (A), by striking “this sec-  
6 tion” and inserting “this subsection”; and

7 (2) in subparagraph (B), by striking “This sec-  
8 tion” and inserting “This subsection”.

9 **SEC. 903. FCRA FINDINGS AND PURPOSE; VOIDS CERTAIN**  
10 **CONTRACTS NOT IN THE PUBLIC INTEREST.**

11 (a) FCRA FINDINGS AND PURPOSE.—Section 602 of  
12 the Fair Credit Reporting Act (15 U.S.C. 1681(a)) is  
13 amended—

14 (1) in subsection (a)—

15 (A) by amending paragraph (1) to read as  
16 follows:

17 “(1) Many financial and non-financial decisions af-  
18 fecting consumers’ lives depend upon fair, complete, and  
19 accurate credit reporting. Inaccurate and incomplete cred-  
20 it reports directly impair the efficiency of the financial sys-  
21 tem and undermine the integrity of using credit reports  
22 in other circumstances, and unfair credit reporting and  
23 credit scoring methods undermine the public confidence  
24 which is essential to the continued functioning of the fi-  
25 nancial services system and the provision of many other  
26 consumer products and services.”; and

1 (B) in paragraph (4), by inserting after  
2 “agencies” the following: “, furnishers, and  
3 credit scoring developers”; and  
4 (2) in subsection (b)—

5 (A) by striking “It is the purpose of this  
6 title to require” and inserting the following:  
7 “The purpose of this title is the following:  
8 “(1) To require”; and

9 (B) by adding at the end the following:  
10 “(2) To prohibit any practices and procedures  
11 with respect to credit reports and credit scores that  
12 are not in the public interest.”.

13 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE  
14 PUBLIC INTEREST.—The Fair Credit Reporting Act (15  
15 U.S.C. 1681 et seq.), as amended by section 703, is fur-  
16 ther amended—

17 (1) by adding at the end the following new sec-  
18 tion:

19 **“§ 634. Voiding of certain contracts not in the public**  
20 **interest**

21 “(a) IN GENERAL.—Any provision contained in a  
22 contract that requires a person to not follow a provision  
23 of this title, that is against the public interest, or that  
24 otherwise circumvents the purposes of this title shall be  
25 null and void.

1       “(b) RULE OF CONSTRUCTION.—Nothing in sub-  
2 section (a) shall be construed as affecting other provisions  
3 of a contract that are not described under subsection  
4 (a).”; and

5               (2) in the table of contents for such Act, by in-  
6 sserting after the item relating to section 633 the fol-  
7 lowing new item:

“634. Voiding of certain contracts not in the public interest.”.

8 **SEC. 904. GAO STUDY ON THE USE OF CREDIT IN HOUSING**  
9 **DETERMINATIONS.**

10       (a) STUDY.—The Comptroller General of the United  
11 States shall carry out a study of the use of consumer re-  
12 ports and credit scores in housing determinations to deter-  
13 mine whether consumer reports or credit scores are being  
14 used as tools to perform the equivalent of banned red-lin-  
15 ing.

16       (b) CONTENTS OF STUDY.—In carrying out the study  
17 required under subsection (a), the Comptroller General  
18 shall—

19               (1) examine both rental applications and mort-  
20 gage applications; and

21               (2) include a demographic breakdown by race,  
22 gender, age, sexual orientation, city/suburban/rural,  
23 socioeconomic status, and any other demographic  
24 that the Comptroller General determines appro-  
25 priate.

1 (c) REPORT.—The Comptroller General shall issue a  
2 report to the Congress containing all findings and deter-  
3 minations made in carrying out the study required under  
4 subsection (a).

5 **SEC. 905. GAO STUDY ON THE EFFECTS OF CREDIT SCORES**  
6 **IMPACTED BY A STUDENT BORROWER'S DE-**  
7 **FAULTED OR DELINQUENT PRIVATE EDU-**  
8 **CATION LOAN.**

9 (a) STUDY.—The Comptroller General of the United  
10 States shall carry out a study on how credit scores im-  
11 pacted by a student borrower's defaulted or delinquent  
12 private education loan impacts applying for future loans,  
13 including information on the treatment of different demo-  
14 graphic populations.

15 (b) REPORT.—The Comptroller General shall issue a  
16 report to the Congress containing all findings and deter-  
17 minations made in carrying out the study required under  
18 subsection (a).

19 **SEC. 906. GAO STUDY ON CONSUMER REPORTING AGENCY**  
20 **COMPLIANCE WITH CONSENT ORDERS.**

21 (a) STUDY.—The Comptroller General of the United  
22 States shall carry out a study of the compliance by con-  
23 sumer reporting agencies that compile and maintain files  
24 on consumers on a nationwide basis with consent orders,  
25 and the impact such compliance has on consumers.

1 (b) REPORT.—Not later than the end of the 180-day  
2 period beginning on the date of enactment of this Act, the  
3 Comptroller General shall issue a report to the Committee  
4 on Financial Services of the House of Representatives and  
5 the Committee on Banking, Housing, and Urban Affairs  
6 of the Senate containing all findings and determinations  
7 made in carrying out the study required under subsection  
8 (a).

9 (c) DEFINITIONS.—In this section, the terms “con-  
10 sumer” and “consumer reporting agency that compiles  
11 and maintains files on consumers on a nationwide basis”  
12 have the meaning given those terms, respectively, under  
13 section 603 of the Fair Credit Reporting Act.

14 **SEC. 907. PROTECTIONS FOR ACTIVE DUTY UNIFORMED**  
15 **CONSUMER.**

16 (a) DEFINITIONS.—Section 603 of the Fair Credit  
17 Reporting Act (15 U.S.C. 1681a) is amended—

18 (1) in subsection (q), by amending paragraph  
19 (1) to read as follows:

20 “(1) ACTIVE DUTY UNIFORMED CONSUMER.—  
21 The term ‘active duty uniformed consumer’ means a  
22 consumer who is—

23 “(A) in military service and on active serv-  
24 ice (as defined in section 101(d) of title 10,  
25 United States Code); or



1           “(B) a member of the uniformed services  
2           (as defined in section 101(a) of title 10, United  
3           States Code) who is not a member of the armed  
4           forces and is on active service.”; and

5           (2) by inserting after subsection (dd) (as added  
6           by section 901) the following:

7           “(ii) EXTENDED ACTIVE DUTY UNIFORMED CON-  
8           SUMER.—The term ‘extended active duty uniformed con-  
9           sumer’ means an active duty uniformed consumer that is  
10          deployed—

11           “(1) in a combat zone (as defined under section  
12           112(c) of the Internal Revenue Code of 1986); or

13           “(2) aboard a United States vessel.”.

14          (b) PROHIBITION ON INCLUDING CERTAIN ADVERSE  
15          INFORMATION IN CONSUMER REPORTS.—Section 605 of  
16          the Fair Credit Reporting Act (15 U.S.C. 1681c) is  
17          amended—

18           (1) in subsection (a), as amended by section  
19           809, by adding at the end the following:

20           “(19) Any item of adverse information about a  
21           consumer, if the action or inaction that gave rise to  
22           the item occurred while the consumer was an ex-  
23           tended active duty uniformed consumer.”; and

24           (2) by inserting after subsection (h) (as added  
25           by section 705) the following:

1           “(i) NOTICE OF STATUS AS AN EXTENDED ACTIVE  
2 DUTY UNIFORMED CONSUMER.—With respect to an item  
3 of adverse information about a consumer, if the action or  
4 inaction that gave rise to the item occurred while the con-  
5 sumer was an extended active duty uniformed consumer,  
6 the consumer may provide appropriate proof, including of-  
7 ficial orders, to a consumer reporting agency that the con-  
8 sumer was an extended active duty uniformed consumer  
9 at the time such action or inaction occurred. The con-  
10 sumer reporting agency shall promptly delete that item of  
11 adverse information from the file of the consumer and no-  
12 tify the consumer and the furnisher of the information of  
13 the deletion.”.

14           (c) COMMUNICATIONS BETWEEN THE CONSUMER  
15 AND CONSUMER REPORTING AGENCIES.—Section 605A  
16 of the Fair Credit Reporting Act (15 U.S.C. 1681e–1) is  
17 amended—

18           (1) in subsection (c), as amended by section  
19 803, by adding at the end the following:

20           “(2) NEGATIVE INFORMATION ALERT.—Any  
21 time a consumer reporting agency receives an item  
22 of adverse information about a consumer, if the con-  
23 sumer has provided appropriate proof that the con-  
24 sumer is an extended active duty uniformed con-

1 consumer, the consumer reporting agency shall prompt-  
2 ly notify the consumer—

3 “(A) that the agency has received such  
4 item of adverse information, along with a de-  
5 scription of the item; and

6 “(B) the method by which the consumer  
7 can dispute the validity of the item.

8 “(3) CONTACT INFORMATION FOR EXTENDED  
9 ACTIVE DUTY UNIFORMED CONSUMERS.—With re-  
10 spect to any consumer that has provided appropriate  
11 proof to a consumer reporting agency that the con-  
12 sumer is an extended active duty uniformed con-  
13 sumer, if the consumer provides the consumer re-  
14 porting agency with separate contact information to  
15 be used when communicating with the consumer  
16 while the consumer is an extended active duty uni-  
17 formed consumer, the consumer reporting agency  
18 shall use such contact information for all commu-  
19 nications while the consumer is an extended active  
20 duty uniformed consumer.”; and

21 (2) in subsection (e), by amending paragraph  
22 (3) to read as follows:

23 “(3) subparagraphs (A) and (B) of subsection  
24 (e)(1), in the case of a referral under subsection  
25 (e)(1)(C).”.

1 (d) CONFORMING AMENDMENT.—The Fair Credit  
2 Reporting Act (15 U.S.C. 1681 et seq.) is amended by  
3 striking “active duty military” each place such term ap-  
4 pears and inserting “active duty uniformed”.

5 (e) SENSE OF CONGRESS.—It is the sense of Con-  
6 gress that any person making use of a consumer report  
7 containing an item of adverse information should, if the  
8 action or inaction that gave rise to the item occurred while  
9 the consumer was an extended active duty uniformed con-  
10 sumer, take such fact into account when evaluating the  
11 creditworthiness of the consumer.

12 **SEC. 908. POSITIVE CREDIT REPORTING PERMITTED.**

13 (a) IN GENERAL.—Section 623 of the Fair Credit  
14 Reporting Act (15 U.S.C. 1681s–2), as amended by sec-  
15 tion 103, is further amended by adding at the end the  
16 following new subsection:

17 “(g) FULL-FILE CREDIT REPORTING.—

18 “(1) IN GENERAL.—Subject to the require-  
19 ments of paragraphs (2) through (5) and notwith-  
20 standing any other provision of law, a person that  
21 has obtained the written authorization of a con-  
22 sumer may furnish to a consumer reporting agency  
23 information relating to the performance of a con-  
24 sumer in making payments—

1           “(A) under a lease agreement with respect  
2 to a dwelling; or

3           “(B) pursuant to a contract for services  
4 provided by a utility or telecommunication firm.

5           “(2) LIMITATIONS.—

6           “(A) WITHHELD PAYMENTS DUE TO HAB-  
7 ITABILITY OR SANITARY CONDITIONS.—No per-  
8 son shall furnish or threaten to furnish negative  
9 information relating to the performance of a  
10 consumer in making payments under a lease  
11 agreement with respect to a dwelling if the con-  
12 sumer has withheld payment pursuant to—

13                   “(i) any right or remedy for breach of  
14 the warranty of habitability; or

15                   “(ii) any violation of a Federal, State,  
16 or municipal law, code, or regulation re-  
17 garding sanitary conditions.

18           “(B) SERVICES PROVIDED BY A UTILITY  
19 OR TELECOMMUNICATION FIRM.—Information  
20 about a consumer’s usage of any services pro-  
21 vided by a utility or telecommunication firm  
22 may be furnished to a consumer reporting agen-  
23 cy only to the extent that such information re-  
24 lates to—

1           “(i) payment by the consumer for  
2           such services; or

3           “(ii) other terms of the provision of  
4           such services to the consumer, including  
5           any deposit, discount, or conditions for  
6           interruption or termination of such serv-  
7           ices.

8           “(3) PAYMENT PLAN.—A utility or tele-  
9           communication firm may not report payment infor-  
10          mation to a consumer reporting agency with respect  
11          to an outstanding balance of a consumer as late if—

12           “(A) the utility or telecommunication firm  
13           and the consumer have entered into a payment  
14           plan (including a deferred payment agreement,  
15           an arrearage management program, or a debt  
16           forgiveness program) with respect to such out-  
17           standing balance; and

18           “(B) the consumer is meeting the obliga-  
19           tions of the payment plan, as determined by the  
20           utility or telecommunication firm.

21           “(4) PROHIBITION ON USE BY DEBT COLLEC-  
22          TORS.—A debt collector (as defined in section  
23          803(6) of the Fair Debt Collection Practices Act)  
24          may not use the information described in paragraph  
25          (1).

1           “(5) RELATION TO STATE LAW.—Notwith-  
2 standing section 625, this subsection shall not pre-  
3 empt any law of a State with respect to furnishing  
4 to a consumer reporting agency information relating  
5 to the performance of a consumer in making pay-  
6 ments pursuant to a lease agreement with respect to  
7 a dwelling or a contract for a utility or telecommuni-  
8 cations service. For purposes of this paragraph, the  
9 term ‘law of a State’ shall include all laws, decisions,  
10 rules, regulations, or other State action having the  
11 effect of law, as issued by a State, any political sub-  
12 divisions thereof, or any agency or instrumentality of  
13 either the State or a political subdivision thereof.

14           “(6) UTILITY OR TELECOMMUNICATION FIRM  
15 DEFINED.—In this subsection, the term ‘utility or  
16 telecommunication firm’—

17           “(A) means an entity that provides utility  
18 services to the public through pipe, wire,  
19 landline, wireless, cable, or other connected fa-  
20 cilities, or radio, electronic, or similar trans-  
21 mission (including the extension of such facili-  
22 ties); and

23           “(B) includes an entity that provides nat-  
24 ural gas or electric service to consumers.”.

1 (b) GAO STUDY AND REPORT.—Not later than 2  
2 years after the date of enactment of this Act, the Comp-  
3 troller General of the United States shall submit to Con-  
4 gress a report on the impact on consumers of furnishing  
5 information pursuant to subsection (g) of section 623 of  
6 the Fair Credit Reporting Act (15 U.S.C. 1681s–2), as  
7 added by subsection (a).

8 **SEC. 909. SENSE OF CONGRESS.**

9 It is the sense of Congress that efforts to enhance  
10 cybersecurity and implement routine security updates of  
11 databases maintained by the nationwide consumer report-  
12 ing agencies that contain sensitive consumer data, includ-  
13 ing the credit history and personal information of millions  
14 of Americans, is critical to the national interest of the  
15 United States.

16 **SEC. 910. CYBERSECURITY SUPERVISION AND EXAMINA-**  
17 **TION OF LARGE CONSUMER REPORTING**  
18 **AGENCIES.**

19 (a) IN GENERAL.—The Fair Credit Reporting Act  
20 (15 U.S.C. 1681 et seq.), as amended by section 706, is  
21 further amended by adding at the end the following:



1 **“SEC. 638. CYBERSECURITY SUPERVISION AND EXAMINA-**  
 2 **TION OF LARGE CONSUMER REPORTING**  
 3 **AGENCIES.**

4 “(a) **IN GENERAL.**—Consumer reporting agencies de-  
 5 scribed under section 603(p) shall be subject to  
 6 cybersecurity supervision and examination by the Bureau.

7 “(b) **MINIMUM TRAINING REQUIREMENTS.**—Con-  
 8 sumer reporting agencies described under section 603(p)  
 9 shall meet minimum training and ongoing certification re-  
 10 quirements with respect to cybersecurity at regular inter-  
 11 vals, as established by the Director of the Bureau.”.

12 (b) **CLERICAL AMENDMENT.**—The table of contents  
 13 of the Fair Credit Reporting Act, as amended by section  
 14 706, is further amended by adding at the end the fol-  
 15 lowing:

“638. Cybersecurity supervision and examination of large consumer reporting agencies.”.

Passed the House of Representatives January 29,  
 2020.

Attest: CHERYL L. JOHNSON,  
*Clerk.*