

116TH CONGRESS
1ST SESSION

S. 535

To enable Federal employees and contractors to correct their credit reports to remove adverse items of information reported as a result of a shut-down, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2019

Mr. SCHATZ (for himself, Mr. WARNER, and Mr. KENNEDY) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To enable Federal employees and contractors to correct their credit reports to remove adverse items of information reported as a result of a shutdown, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protect Federal Work-
5 ers’ Credit Act”.

1 **SEC. 2. DEFINITIONS.**

2 Section 603 of the Fair Credit Reporting Act (15
3 U.S.C. 1681a) is amended by adding at the end the fol-
4 lowing:

5 “(bb) CONTRACTOR.—The term ‘contractor’ has the
6 meaning given the term in section 7101 of title 41, United
7 States Code.

8 “(cc) COVERED PERIOD.—The term ‘covered period’
9 means—

10 “(1) the period beginning on the date on which
11 a shutdown begins and ending on the date that is
12 30 days after the date on which the shutdown ends;
13 and

14 “(2) with respect to the shutdown that began
15 on December 21, 2018, and ended on January 25,
16 2019, the 60-day period beginning on the date of en-
17 actment of this Act.

18 “(dd) FEDERAL WORKER.—The term ‘Federal work-
19 er’—

20 “(1) means an employee of a Government agen-
21 cy that had a lapse in appropriations as a result of
22 a shutdown; and

23 “(2) includes an employee of a contractor that
24 has a contract with a Government agency that had
25 a lapse in appropriations as a result of a shutdown.

1 “(ee) SHUTDOWN.—The term ‘shutdown’ means any
 2 period in which there is more than a 24-hour lapse in ap-
 3 propriations for any Government agency or Federal de-
 4 partment as a result of a failure to enact a regular appro-
 5 priations bill or continuing resolution that results in a
 6 delay or loss of payment or wages to a Federal worker.

7 “(ff) SMALL BUSINESS CONCERN.—The term ‘small
 8 business concern’ has the meaning given the term in sec-
 9 tion 3 of the Small Business Act (15 U.S.C. 632).”.

10 **SEC. 3. LIMITATION ON FURNISHING AN ADVERSE ITEM OF**
 11 **INFORMATION RESULTING FROM THE SHUT-**
 12 **DOWN.**

13 Section 623 of the Fair Credit Reporting Act (15
 14 U.S.C. 1681s–2) is amended by adding at the end the fol-
 15 lowing:

16 “(f) LIMITATION ON FURNISHING ADVERSE INFOR-
 17 MATION RESULTING FROM A SHUTDOWN.—A person shall
 18 not furnish any adverse item of information relating to
 19 a consumer during a covered period to any consumer re-
 20 porting agency if the person has been notified by the con-
 21 sumer that—

22 “(1) the ability of the consumer to make an on-
 23 time payment during the covered period has been
 24 materially affected by a shutdown; or

1 “(2) the late or missed payment by the con-
2 sumer during the covered period was a result of a
3 shutdown.”.

4 **SEC. 4. PROHIBITION ON INCLUDING AN ADVERSE ITEM OF**
5 **INFORMATION IN CONSUMER REPORTS.**

6 Section 605(a) of the Fair Credit Reporting Act (15
7 U.S.C. 1681e(a)) is amended by adding at the end the
8 following:

9 “(9) An adverse item of information reported to
10 the consumer reporting agency relating to a con-
11 sumer during a covered period if—

12 “(A) the consumer is a Federal worker
13 listed in the database described in section
14 611(h)(2); or

15 “(B) the consumer has successfully re-
16 quested the removal of an adverse item of infor-
17 mation contained in the consumer’s file pursu-
18 ant to the process described in section
19 611(h)(4).”.

20 **SEC. 5. PROCESS FOR DELETING NEGATIVE INFORMATION**
21 **FROM CONSUMER REPORTS.**

22 The Fair Credit Reporting Act (15 U.S.C. 1681 et
23 seq.) is amended—

24 (1) in section 609(c)(1)(B) (15 U.S.C.
25 1681g(c)(1)(B))—

1 (A) in clause (v), by striking “and” at the
2 end;

3 (B) in clause (vi), by striking the period at
4 the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(vi) the right of a consumer to—

7 “(I) request the deletion of ad-
8 verse items of information under sec-
9 tion 611(h)(4); and

10 “(II) request 2 consumer reports,
11 without charge to the consumer,
12 under section 611(h)(5).”; and

13 (2) in section 611 (15 U.S.C. 1681i)—

14 (A) in subsection (a)(1)(A), by inserting
15 “and subsection (h)” before “, if the complete-
16 ness”; and

17 (B) by adding at the end the following:

18 “(h) DELETION OF ADVERSE ITEMS OF INFORMA-
19 TION RESULTING FROM A SHUTDOWN.—

20 “(1) REQUIREMENT TO PROVIDE LIST OF IM-
21 PACTED FEDERAL WORKERS.—

22 “(A) RECENT SHUTDOWN.—Not later than
23 30 days after the date of enactment of this sub-
24 section—

1 “(i) each Government agency for
2 which there was a lapse in appropriations
3 during the shutdown that ended on Janu-
4 ary 25, 2019, shall provide to the Bureau
5 a list of each Federal worker who was fur-
6 loughed or required to work without pay
7 for any period of time during a shutdown;
8 and

9 “(ii) each Federal contractor impacted
10 by the shutdown that ended on January
11 25, 2019, shall provide to the Bureau a list
12 of each employee whose pay was reduced
13 or delayed as a result of a shutdown.

14 “(B) SUBSEQUENT SHUTDOWNS.—With
15 respect to a shutdown beginning after January
16 25, 2019, not later than 3 days after the date
17 on which the shutdown ends—

18 “(i) each Government agency for
19 which there was a lapse in appropriations
20 shall provide to the Bureau a list of each
21 Federal worker who was furloughed or re-
22 quired to work without pay for any period
23 of time during the shutdown; and

24 “(ii) each Federal contractor impacted
25 by the shutdown shall provide to the Bu-

1 reau a list of each employee whose pay was
2 reduced or delayed as a result of the shut-
3 down.

4 “(2) DATABASE.—The Bureau shall establish
5 and maintain a secure database that—

6 “(A) is accessible to consumer reporting
7 agencies described in section 603(p) and nation-
8 wide specialty consumer reporting agencies to
9 check and automatically delete any adverse item
10 of information reported during a covered period
11 with respect to a Federal worker under para-
12 graph (3); and

13 “(B) contains the information reported
14 under paragraph (1).

15 “(3) DELETION OF ADVERSE ITEMS OF INFOR-
16 MATION BY NATIONWIDE CONSUMER REPORTING
17 AND NATIONWIDE SPECIALTY CONSUMER REPORT-
18 ING AGENCIES.—

19 “(A) IN GENERAL.—Each consumer re-
20 porting agency described in section 603(p) and
21 each nationwide specialty consumer reporting
22 agency shall, using the information contained in
23 the database established under paragraph (2),
24 delete from the file of each Federal worker
25 named in the database each adverse item of in-

1 formation reported to the agency during the
2 covered period.

3 “(B) TIMELINE.—Each agency described
4 in subparagraph (A) shall—

5 “(i) delete adverse items of informa-
6 tion as soon as practicable after informa-
7 tion that is reported under paragraph (1)
8 appears in the database established under
9 paragraph (2); and

10 “(ii) not later than the date that is 3
11 days after the end of a covered period, de-
12 lete any remaining adverse items of infor-
13 mation that were reported between the
14 date on which adverse items of information
15 were deleted under clause (i) and the end
16 of the covered period.

17 “(4) REQUEST FOR DELETION OF ADVERSE
18 ITEMS OF INFORMATION.—

19 “(A) IN GENERAL.—A consumer who is an
20 employee or owner of a small business concern
21 and who was materially affected by a shutdown
22 may submit a request, without charge to the
23 consumer, to a consumer reporting agency to
24 delete from the consumer’s file an adverse item

1 of information reported to the consumer report-
2 ing agency during the covered period.

3 “(B) TIMING.—A consumer may submit a
4 request under subparagraph (A)—

5 “(i) with respect to the shutdown that
6 ended on January 25, 2019, not later than
7 90 days after the date of enactment of this
8 subsection; and

9 “(ii) with respect to a shutdown be-
10 ginning after January 25, 2019, not later
11 than 90 days after the date on which the
12 shutdown ends.

13 “(C) REMOVAL AND NOTIFICATION.—Upon
14 receiving a request under this paragraph to de-
15 lete an adverse item of information, a consumer
16 reporting agency shall—

17 “(i) delete the adverse item of infor-
18 mation from the consumer’s file if the con-
19 sumer provides documentation to the con-
20 sumer reporting agency that the consumer
21 is—

22 “(I) a Federal worker whose pay
23 was delayed or reduced during the
24 covered period; or

1 “(II) an employee or owner of a
2 small business concern who was mate-
3 rially affected by a shutdown; and

4 “(ii) notify the consumer and the fur-
5 nisher of the adverse item of information
6 of the deletion.

7 “(5) FREE CREDIT REPORTS.—

8 “(A) IN GENERAL.—A consumer reporting
9 agency shall make all disclosures pursuant to
10 section 609 twice during the 12-month period
11 following the end of a shutdown upon request
12 by a consumer impacted by the shutdown and
13 without charge to the consumer—

14 “(i) with respect to the shutdown that
15 ended on January 25, 2019, if the con-
16 sumer makes a request within 180 days
17 after the date of enactment of this sub-
18 section; and

19 “(ii) with respect to a shutdown be-
20 ginning after January 25, 2019, if the con-
21 sumer makes a request within 180 days
22 after the date on which the shutdown ends.

23 “(B) TIMING.—A consumer reporting
24 agency shall provide a consumer report under
25 subparagraph (A) not later than 15 days after

1 the date on which the request is received under
2 subparagraph (A).

3 “(C) ADDITIONAL REPORTS.—A consumer
4 report provided under subparagraph (A) shall
5 be in addition to any report requested by the
6 consumer under section 612(a).

7 “(D) PROHIBITION.—A consumer report-
8 ing agency that receives a request under sub-
9 paragraph (A) may not request or require any
10 documentation from the consumer that dem-
11 onstrates that the consumer was impacted by a
12 shutdown as a condition of receiving the con-
13 sumer report.

14 “(6) POSTING OF RIGHTS.—Not later than 30
15 days after the date of enactment of this Act, and im-
16 mediately after the beginning of a shutdown, each
17 consumer reporting agency shall prominently post
18 and maintain a direct link on the homepage of the
19 public website of the consumer reporting agency in-
20 formation relating to the right of consumers to—

21 “(A) request the deletion of adverse items
22 of information under paragraph (4); and

23 “(B) request 2 consumer reports, without
24 charge to the consumer, under paragraph (5).”.

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