119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–166

HOMEBUYERS PRIVACY PROTECTION ACT

JUNE 20, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services, submitted the following

R E P O R T

[To accompany H.R. 2808]

The Committee on Financial Services, to whom was referred the bill (H.R. 2808) to amend the Fair Credit Reporting Act to prevent consumer reporting agencies from furnishing consumer reports under certain circumstances, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SEC. 1. SHORT TITLE.

This Act may be cited as the “Homebuyers Privacy Protection Act”.

59–006

SEC. 2. TREATMENT OF PRESCREENING REPORT REQUESTS.

(a) IN GENERAL.—Section 604(c) of the Fair Credit Reporting Act (15 U.S.C. 1681b(c)) is amended by adding at the end the following:

"(4) TREATMENT OF PRESCREENING REPORT REQUESTS.—

"(A) DEFINITIONS.—In this paragraph:

"(i) CREDIT UNION.—The term 'credit union' means a Federal credit union or a State credit union, as those terms are defined, respectively, in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

"(ii) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)).

"(iii) RESIDENTIAL MORTGAGE LOAN.—The term 'residential mortgage loan' has the meaning given the term in section 1503 of the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5102).

"(iv) SERVICER.—The term 'servicer' has the meaning given the term in section 6(i) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)).

"(B) LIMITATION.—If a person requests a consumer report from a consumer reporting agency in connection with a credit transaction involving a residential mortgage loan, that agency may not, based in whole or in part on that request, furnish a consumer report to another person under this subsection unless—

"(i) the transaction consists of a firm offer of credit or insurance; and

"(ii) that other person—

"(I) has submitted documentation to that agency certifying that such other person has, pursuant to paragraph (1)(A), the authorization of the consumer to whom the consumer report relates; or

"(II)(aa) has originated a current residential mortgage loan of the consumer to whom the consumer report relates;

"(bb) is the servicer of a current residential mortgage loan of the consumer to whom the consumer report relates; or

"(cc)(AA) is an insured depository institution or credit union; and

"(BB) holds a current account for the consumer to whom the consumer report relates.".

SEC. 3. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the date that is 180 days after the date of enactment of this Act.

SEC. 4. GAO STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall carry out a study on the value of trigger leads received by text message that includes input from State regulatory agencies, mortgage lenders, depository institutions (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)), consumer reporting agencies (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)), and consumers.

(b) REPORT.—Not later than the end of the 12-month period beginning on the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing any findings and determinations made in the study required by subsection (a).

PURPOSE AND SUMMARY

H.R. 2808, the *Homebuyers Privacy Protection Act*, was introduced on April 10, 2025, by Representative John Rose (TN–06). H.R. 2808 amends the Fair Credit Reporting Act (FCRA) to prohibit credit reporting agencies from furnishing a consumer's credit report in connection with a residential mortgage loan unless (1) the requesting party either: (1) provides documentation certifying that it has the consumer's authorization; or (2) has an existing relationship with the consumer, such as being the originator or servicer of the consumer's current mortgage or an insured depository institution or credit union holding the consumer's current account.

Background and Need for Legislation

When a consumer (or lender on behalf of a consumer) requests a consumer report from a credit reporting agency (CRA) in connection with a mortgage application, the CRA may notify other mortgage lenders by selling them a trigger lead regarding this consumer. Currently, the *Fair Credit Reporting Act* requires purchasers of trigger leads to provide a "firm offer of credit" and may not be used simply as a marketing tool. Consumers may opt out of receiving offers, though the opt-out process is not widely known by consumers. Theoretically, trigger leads may enhance competition by providing consumers with more options that may provide lower rates. However, in practice, the wide availability of trigger leads has led to consumers being inundated with phone calls and text messages. This often confuses consumers who may believe the lender they were working with sold their information without their consent. This confusion is likely exacerbated by the fact that some purchasers of trigger leads may pose as the original mortgage lender or misrepresent the terms of their offer. Furthermore, the sheer volume of phone calls and text messages is disruptive to consumers' daily lives and makes the mortgage process, which is already difficult for many consumers to navigate, more inconvenient for individuals trying to purchase a home.

Additionally, the broad sharing of consumer information with unauthorized third parties—who have no existing relationship with the consumer—poses consumer privacy risks. By restricting the purchase of trigger leads to only those entities that already have a relationship with the consumer, the bill enhances the protection of Americans' privacy.

Committee Consideration

119th Congress

On April 10, 2025, Representative Rose introduced H.R. 2808, the *Homebuyers Privacy Protection Act*, with Representatives Ritchie Torres (D–NY), Andrew Garbarino (R–NY), Zach Nunn (R–IA), Mark Amodei (R–NV), Gabe Amo (D–RI), Joe Neguse (D–CO), Eleanor Holmes Norton (D–DC), Andrew Ogles (R–TN), Bryan Steil (R–WI), Robert Wittman (R–VA), Frank Lucas (R–OK), Dusty Johnson (R–SD), William Timmons (R–SC), Jack Bergman (R–MI), Julia Brownley (D–CA), Thomas Suozzi (D–NY), John Moolenaar (R–MI), Emanuel Cleaver (D–MO), Stephanie Bice (R–OK), Cleo Fields (D–LA), Adrian Smith (R–NE), Scott Franklin (R–FL), David Kustoff (R–TN), Trent Kelly (R–MS), Brittany Pettersen (D–CO), Michael Guest (R–MS), and Brian Fitzpatrick (R–PA) as original cosponsors.

Representatives Lisa McClain (R–MI), Nikema Williams (D–GA), Joyce Beatty (D–OH), Jason Crow (D–CO), Bennie Thompson (D–MS), Mike Ezell (R–MS), Monica De La Cruz (R–TX), Mike Flood (R–NE), Dan Meuser (R–PA), Kevin Hern (R–OK), Vern Buchanan (R–FL), Sanford Bishop (D–GA), Bill Foster (D–IL), Brad Sherman (D–CA), John Rutherford (R–FL), Mark Alford (R–MO), Frank Mrvan (D–IN), Glenn Grothman (R–WI), Tim Moore (R–NC), Mike Haridopolos (R–FL), Daniel Webster (R–FL), Ed Case (D–HI), Kevin Kiley (R–CA), Don Bacon (R–NE), Warren Davidson (R–OH), Brad Finstad (R–MN), Eugene Vindman (D–VA), Jared Golden (D–ME), Bill Huizenga (R–MI), Byron Donalds (R–FL), Marlin Stutzman (R–IN), Tracey Mann (R–KS), Michael Lawler (R–NY), Tim Burchett (R–TN), Josh Gottheimer (D–NJ), Nydia Velázquez (D–NY), Stephen Lynch (D–MA), Gregory Meeks (D–NY), Sarah McBride (D–DE), Derek Schmidt (R–KS), Ben Cline (R–VA), Darin LaHood (R–IL), Chuck Fleischmann (R–TN), Michelle Fischbach (R–MN), Eric Sorensen (D–IL), Anna Paulina Luna (R–FL), Lloyd Smucker (R–PA), Angie Craig (D–MN), Tom Barrett (R–MI), Troy Downing (R–MT), David Scott (D–GA), Ralph Norman (R–SC), Janelle Bynum (D–OR), Deborah Ross (D–NC), Pete Sessions (R–TX), Sam Liccardo (D–CA), Thomas Tiffany (R–WI), Jennifer Kiggans (R–VA), Michael Cloud (R–TX), and Robin Kelly (D–IL) were added subsequently as cosponsors.

The bill was referred solely to the Committee on Financial Services. The bill was attached to the April 29, 2025, hearing titled "Regulatory Overreach: The Price Tag on American Prosperity."

On June 10, 2025, the Committee on Financial Services met in open session to consider, among others, H.R. 2808. The Committee ordered H.R. 2808, as amended, to be reported favorably to the House of Representatives.

118TH CONGRESS

On February 7, 2024, Representative Rose introduced H.R. 7297, the *Homebuyers Privacy Protection Act*, with Representatives Torres, Blaine Luetkemeyer (R–MO), Wiley Nickel (D–NC), Bill Posey (R–FL), Pettersen, De La Cruz, Ogles, Johnson of South Dakota, Bergman, and French Hill (R–AR) as original cosponsors.

Representatives Steil, Bice, Flood, Nathaniel Moran (R–TX), Nunn, Meuser, Guy Reschenthaler (R–PA), Mann, Williams of Georgia, Huizenga, Grothman, Tiffany, Mark Pocan (D–WI), Cleaver, Earl Blumenauer (D–OR), Sherman, Brownley, Gottheimer, Suozzi, Jake LaTurner (R–KS), Bacon, Donalds, Velázquez, Chris Pappas (D–NH), Rutherford, Neguse, Ross, Burchett, Kelly Armstrong (R–ND), Jared Moskowitz (D–FL), Smith of Nebraska, Norton, Scott Peters (D–CA), Mark Green (R–TN), Lucas, Sylvia Garcia (D–TX), Wittman, Meeks, Steven Horsford (D–NV), McClain, Crow, Amo, Suzanne Bonamici (D–OR), Ashley Hinson (R–IA), Mariannette Miller-Meeks (R–IA), David Scott of Georgia, Alexander Mooney (R–WV), Dan Goldman (D–NY), Beatty, LaHood, Greg Landsman (D–OH), Lawler, Timmons, Erin Houchin (R–IN), Tom Emmer (R–MN), Kelly of Mississippi, Guest, Jake Auchincloss (D–MA), Ami Bera (D–CA), Donald Davis (D–NC), Garbarino, Kiley, Amodei, Franklin, Cloud, Darrell Issa (R–CA), Buchanan, Yadira Caraveo (D–CO), Mark DeSaulnier (D–CA), Sharice Davids (D–KS), Hern, Rick Larsen (D–WA), Norman, Becca Balint (D–VT), Fitzpatrick, Foster, Sean Casten (D–IL), Kelly of Illinois, Sorensen, Kustoff, and Mike Thompson (D–CA) were added subsequently as cosponsors. The bill is an earlier iteration of H.R. 2808. The bill was referred solely to the Committee on Financial Services.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearing was used to develop H.R. 2808:

The Financial Institutions Subcommittee of the Committee on Financial Services held a hearing titled, "Regulatory Overreach: The Price Tag on American Prosperity." H.R. 2808 was attached to the hearing. The following witnesses testified at the hearing: Ms. Sarah Flowers, Senior Vice President, Senior Associate General Counsel, Bank Policy Institute; Mr. J. Michael Radcliffe, Chairman and Chief Executive Officer, Community Financial Services Bank (Benton, KY); Ms. Margaret E. Tahyar, Partner, Head of Financial Institutions Group, Davis Polk & Wardwell LLP; and The Honorable Graham Steele, Academic Fellow, Rock Center for Corporate Governance, Stanford Law School.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against.

On June 10, 2025, the Committee ordered H.R. 2808, as amended, to be reported favorably to the House by a recorded vote of 46 yeas and 0 nays, a quorum being present. (Record Vote No. FC–133).

The Committee considered the following amendments to H.R. 2808:

- Representative John Rose (R–TN) offered an amendment in the nature of a substitute, which added a requirement for the Comptroller General of the United States to conduct a study on the value of trigger leads received by text message. The study would include input from state regulatory agencies, mortgage lenders, depository institutions, consumer reporting agencies, and consumers. It also requires the Comptroller to submit a report to Congress within 12 months of enactment. The amendment included minor edits and technical changes. This amendment was adopted by a voice vote.
- Representative Young Kim (R–CA) offered an amendment (No. 1), designated KIMCA_035. This amendment would revise the underlying bill by prohibiting certain forms of consumer contact related to credit offers, allowing only mail, email, or text message communications. It would also replace Section 4 of the underlying bill with a requirement for a GAO study on the impact of the bill's changes to the Fair Credit Reporting Act, specifically on mortgage market competition, consumer access to credit, and privacy. The study would assess whether exemptions to the new rules are necessary and provide recommendations to Congress. This amendment was withdrawn.

Committee on Financial Services

Markup 5
June 10, 2025

Bill: **H.R. 2808**
Measure: **H.R. 2808 (as amended)**
Amdt.

Motion: **to report favorably**

Record Vote No.
FC-133

Disposition: **AGREED TO (46-0)**

Member	Yea	Nay	Not Voting	Member	Yea	Nay	Not Voting
Chairman Hill	X			Ranking Member Waters	X		
Mr. Lucas	X			Ms. Velázquez	X		
Mr. Sessions	X			Mr. Sherman	X		
Mr. Huizenga	X			Mr. Meeks	X		
Mrs. Wagner			X	Mr. Scott	X		
Mr. Barr	X			Mr. Lynch			X
Mr. Williams (TX)	X			Mr. Green (TX)	X		
Mr. Emmer	X			Mr. Cleaver	X		
Mr. Loudermilk	X			Mr. Himes	X		
Mr. Davidson	X			Mr. Foster	X		
Mr. Rose	X			Mrs. Beatty			X
Mr. Steil	X			Mr. Vargas	X		
Mr. Timmons	X			Mr. Gottheimer			X
Mr. Stutzman	X			Mr. Gonzalez	X		
Mr. Norman	X			Mr. Casten	X		
Mr. Meuser	X			Ms. Pressley			X
Mrs. Kim			X	Ms. Tlaib	X		
Mr. Donalds	X			Mr. Torres (NY)	X		
Mr. Garbarino	X			Ms. Garcia (TX)	X		
Mr. Fitzgerald	X			Ms. Williams of GA	X		
Mr. Flood	X			Ms. Pettersen	X		
Mr. Lawler	X			Mr. Fields	X		
Ms. De La Cruz	X			Ms. Bynum			X
Mr. Ogles	X			Mr. Liccardo	X		
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar			X				
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	27	**0**	**3**		**19**	**0**	**5**

Committee Totals:	Yeas	Nays	Not Voting
	46	**0**	**8**

Committee Oversight Findings

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

Performance Goals and Objectives

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 2808 to limit the ability of credit reporting agencies (CRAs) to sell trigger leads to mortgage brokers and lenders when a consumer's credit report is pulled in relation to a mortgage loan application.

Committee Cost Estimate

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 2808. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of House rule XIII, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

New Budget Authority and CBO Cost Estimate

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Unfunded Mandates Statement

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Committee will adopt the estimate once it has been prepared by the Director.

Earmark Statement

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the resolution and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

Federal Advisory Committee Act Statement

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act*.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This Act may be cited as the "Homebuyers Privacy Protection Act."

Section 2. Treatment of prescreening report requests

This section amends Section 604(c) of the Fair Credit Reporting Act to impose limits on how consumer reporting agencies may furnish prescreened consumer reports in connection with residential mortgage loan credit inquiries. It prohibits consumer reporting agencies from providing these reports to other parties unless the request involves a firm offer of credit or insurance. Additionally, the recipient of the report must either have the consumer's explicit authorization or an existing relationship with the consumer. Acceptable relationships include having originated the consumer's current residential mortgage loan, serving as the servicer of that loan, or being an insured depository institution or credit union that maintains an active account for the consumer.

Section 3. Effective date

This section establishes that the Act and its amendments will take effect 180 days after the date of enactment. This delayed effective date is intended to give institutions time to update practices and ensure compliance with the new requirements.

Section 4. GAO study

This section requires the Comptroller General of the United States to conduct a study evaluating the value and consumer impact of trigger leads received via text message. The study must incorporate feedback from state regulatory agencies, mortgage lenders, depository institutions, consumer reporting agencies, and consumers. A final report with findings and conclusions must be submitted to Congress within 12 months of the Act's enactment.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics and existing law in which no change is proposed is shown in roman):

FAIR CREDIT REPORTING ACT

TITLE VI—CONSUMER CREDIT REPORTING

* * * * * * *

§ 604. Permissible purposes of reports

(a) IN GENERAL.—Subject to subsection (c), any consumer reporting agency may furnish a consumer report under the following circumstances and no other:

(1) In response to the order of a court having jurisdiction to issue such an order, a subpoena issued in connection with proceedings before a Federal grand jury, or a subpoena issued in accordance with section 5318 of title 31, United States Code, or section 3486 of title 18, United States Code.

(2) In accordance with the written instructions of the consumer to whom it relates.

(3) To a person which it has reason to believe—

(A) intends to use the information in connection with a credit transaction involving the consumer on whom the information is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer; or

(B) intends to use the information for employment purposes; or

(C) intends to use the information in connection with the underwriting of insurance involving the consumer; or

(D) intends to use the information in connection with a determination of the consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status; or

(E) intends to use the information, as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, an existing credit obligation; or

(F) otherwise has a legitimate business need for the information—

(i) in connection with a business transaction that is initiated by the consumer; or

(ii) to review an account to determine whether the consumer continues to meet the terms of the account.

(G) executive departments and agencies in connection with the issuance of government-sponsored individually-billed travel charge cards.

(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments, determining the appropriate level of such payments, or enforcing a child support order, award, agreement, or judgment;

(B) the parentage of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws); and

(C) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.

(6) To the Federal Deposit Insurance Corporation or the National Credit Union Administration as part of its preparation for its appointment or as part of its exercise of powers, as conservator, receiver, or liquidating agent for an insured depository institution or insured credit union under the Federal Deposit Insurance Act or the Federal Credit Union Act, or other applicable Federal or State law, or in connection with the resolution or liquidation of a failed or failing insured depository institution or insured credit union, as applicable.

(b) CONDITIONS FOR FURNISHING AND USING CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—

(1) CERTIFICATION FROM USER.—A consumer reporting agency may furnish a consumer report for employment purposes only if—

(A) the person who obtains such report from the agency certifies to the agency that—

(i) the person has complied with paragraph (2) with respect to the consumer report, and the person will comply with paragraph (3) with respect to the consumer report if paragraph (3) becomes applicable; and

(ii) information from the consumer report will not be used in violation of any applicable Federal or State equal employment opportunity law or regulation; and

(B) the consumer reporting agency provides with the report, or has previously provided, a summary of the consumer's rights under this title, as prescribed by the Bureau under section 609(c)(3).

(2) DISCLOSURE TO CONSUMER.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a person may not procure a consumer report, or cause a consumer report to be procured, for employment purposes with respect to any consumer, unless—

(i) a clear and conspicuous disclosure has been made in writing to the consumer at any time before the report is procured or caused to be procured, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes; and

(ii) the consumer has authorized in writing (which authorization may be made on the document referred to in clause (i)) the procurement of the report by that person.

(B) APPLICATION BY MAIL, TELEPHONE, COMPUTER, OR OTHER SIMILAR MEANS.—If a consumer described in subparagraph (C) applies for employment by mail, telephone, computer, or other similar means, at any time before a consumer report is procured or caused to be procured in connection with that application—

(i) the person who procures the consumer report on the consumer for employment purposes shall provide to the consumer, by oral, written, or electronic means, notice that a consumer report may be obtained for employment purposes, and a summary of the consumer's rights under section 615(a)(3); and

(ii) the consumer shall have consented, orally, in writing, or electronically to the procurement of the report by that person.

(C) SCOPE.—Subparagraph (B) shall apply to a person procuring a consumer report on a consumer in connection with the consumer's application for employment only if—

(i) the consumer is applying for a position over which the Secretary of Transportation has the power to establish qualifications and maximum hours of service pursuant to the provisions of section 31502 of title 49, or a position subject to safety regulation by a State transportation agency; and

(ii) as of the time at which the person procures the report or causes the report to be procured the only interaction between the consumer and the person in connection with that employment application has been by mail, telephone, computer, or other similar means.

(3) CONDITIONS ON USE FOR ADVERSE ACTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in using a consumer report for employment purposes, before taking any adverse action based in whole or in part on the report, the person intending to take such adverse action shall provide to the consumer to whom the report relates—

(i) a copy of the report; and

(ii) a description in writing of the rights of the consumer under this title, as prescribed by the Bureau under section 609(c)(3).

(B) APPLICATION BY MAIL, TELEPHONE, COMPUTER, OR OTHER SIMILAR MEANS.—

(i) If a consumer described in subparagraph (C) applies for employment by mail, telephone, computer, or other similar means, and if a person who has procured a consumer report on the consumer for employment purposes takes adverse action on the employment application based in whole or in part on the report, then the person must provide to the consumer to whom the report relates, in lieu of the notices required under subparagraph (A) of this section and under section

615(a), within 3 business days of taking such action, an oral, written or electronic notification—

(I) that adverse action has been taken based in whole or in part on a consumer report received from a consumer reporting agency;

(II) of the name, address and telephone number of the consumer reporting agency that furnished the consumer report (including a toll-free telephone number established by the agency if the agency compiles and maintains files on consumers on a nationwide basis);

(III) that the consumer reporting agency did not make the decision to take the adverse action and is unable to provide to the consumer the specific reasons why the adverse action was taken; and

(IV) that the consumer may, upon providing proper identification, request a free copy of a report and may dispute with the consumer reporting agency the accuracy or completeness of any information in a report.

(ii) If, under clause (B)(i)(IV), the consumer requests a copy of a consumer report from the person who procured the report, then, within 3 business days of receiving the consumer's request, together with proper identification, the person must send or provide to the consumer a copy of a report and a copy of the consumer's rights as prescribed by the Bureau under section 609(c)(3).

(C) SCOPE.—Subparagraph (B) shall apply to a person procuring a consumer report on a consumer in connection with the consumer's application for employment only if—

(i) the consumer is applying for a position over which the Secretary of Transportation has the power to establish qualifications and maximum hours of service pursuant to the provisions of section 31502 of title 49, or a position subject to safety regulation by a State transportation agency; and

(ii) as of the time at which the person procures the report or causes the report to be procured the only interaction between the consumer and the person in connection with that employment application has been by mail, telephone, computer, or other similar means.

(4) EXCEPTION FOR NATIONAL SECURITY INVESTIGATIONS.—

(A) IN GENERAL.—In the case of an agency or department of the United States Government which seeks to obtain and use a consumer report for employment purposes, paragraph (3) shall not apply to any adverse action by such agency or department which is based in part on such consumer report, if the head of such agency or department makes a written finding that—

(i) the consumer report is relevant to a national security investigation of such agency or department;

(ii) the investigation is within the jurisdiction of such agency or department;

(iii) there is reason to believe that compliance with paragraph (3) will—

(I) endanger the life or physical safety of any person;

(II) result in flight from prosecution;

(III) result in the destruction of, or tampering with, evidence relevant to the investigation;

(IV) result in the intimidation of a potential witness relevant to the investigation;

(V) result in the compromise of classified information; or

(VI) otherwise seriously jeopardize or unduly delay the investigation or another official proceeding.

(B) NOTIFICATION OF CONSUMER UPON CONCLUSION OF INVESTIGATION.—Upon the conclusion of a national security investigation described in subparagraph (A), or upon the determination that the exception under subparagraph (A) is no longer required for the reasons set forth in such subparagraph, the official exercising the authority in such subparagraph shall provide to the consumer who is the subject of the consumer report with regard to which such finding was made—

(i) a copy of such consumer report with any classified information redacted as necessary;

(ii) notice of any adverse action which is based, in part, on the consumer report; and

(iii) the identification with reasonable specificity of the nature of the investigation for which the consumer report was sought.

(C) DELEGATION BY HEAD OF AGENCY OR DEPARTMENT.—For purposes of subparagraphs (A) and (B), the head of any agency or department of the United States Government may delegate his or her authorities under this paragraph to an official of such agency or department who has personnel security responsibilities and is a member of the Senior Executive Service or equivalent civilian or military rank.

(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

(i) CLASSIFIED INFORMATION.—The term "classified information" means information that is protected from unauthorized disclosure under Executive Order No. 12958 or successor orders.

(ii) NATIONAL SECURITY INVESTIGATION.—The term "national security investigation" means any official inquiry by an agency or department of the United States Government to determine the eligibility of a consumer to receive access or continued access to classified information or to determine whether classified information has been lost or compromised.

(c) FURNISHING REPORTS IN CONNECTION WITH CREDIT OR INSURANCE TRANSACTIONS THAT ARE NOT INITIATED BY THE CONSUMER.—

(1) IN GENERAL.—A consumer reporting agency may furnish a consumer report relating to any consumer pursuant to subparagraph (A) or (C) of subsection (a)(3) in connection with any credit or insurance transaction that is not initiated by the consumer only if—

(A) the consumer authorizes the agency to provide such report to such person; or

(B)(i) the transaction consists of a firm offer of credit or insurance;

(ii) the consumer reporting agency has complied with subsection (e);

(iii) there is not in effect an election by the consumer, made in accordance with subsection (e), to have the consumer's name and address excluded from lists of names provided by the agency pursuant to this paragraph; and

(iv) the consumer report does not contain a date of birth that shows that the consumer has not attained the age of 21, or, if the date of birth on the consumer report shows that the consumer has not attained the age of 21, such consumer consents to the consumer reporting agency to such furnishing.

(2) LIMITS ON INFORMATION RECEIVED UNDER PARAGRAPH (1)(B).—A person may receive pursuant to paragraph (1)(B) only—

(A) the name and address of a consumer;

(B) an identifier that is not unique to the consumer and that is used by the person solely for the purpose of verifying the identity of the consumer; and

(C) other information pertaining to a consumer that does not identify the relationship or experience of the consumer with respect to a particular creditor or other entity.

(3) INFORMATION REGARDING INQUIRIES.—Except as provided in section 609(a)(5), a consumer reporting agency shall not furnish to any person a record of inquiries in connection with a credit or insurance transaction that is not initiated by a consumer.

(4) TREATMENT OF PRESCREENING REPORT REQUESTS.—

(A) DEFINITIONS.—In this paragraph:

(i) CREDIT UNION.—The term "credit union" means a Federal credit union or a State credit union, as those terms are defined, respectively, in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

(ii) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)).

(iii) RESIDENTIAL MORTGAGE LOAN.—The term "residential mortgage loan" has the meaning given the term in section 1503 of the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5102).

(iv) SERVICER.—The term "servicer" has the meaning given the term in section 6(i) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)).

(B) LIMITATION.—If a person requests a consumer report from a consumer reporting agency in connection with a

credit transaction involving a residential mortgage loan, that agency may not, based in whole or in part on that request, furnish a consumer report to another person under this subsection unless—

(i) the transaction consists of a firm offer of credit or insurance; and

(ii) that other person—

(I) has submitted documentation to that agency certifying that such other person has, pursuant to paragraph (1)(A), the authorization of the consumer to whom the consumer report relates; or

(II)(aa) has originated a current residential mortgage loan of the consumer to whom the consumer report relates;

(bb) is the servicer of a current residential mortgage loan of the consumer to whom the consumer report relates; or

(cc)(AA) is an insured depository institution or credit union; and

(BB) holds a current account for the consumer to whom the consumer report relates.

(d) RESERVED.

(e) ELECTION OF CONSUMER TO BE EXCLUDED FROM LISTS.—

(1) IN GENERAL.—A consumer may elect to have the consumer's name and address excluded from any list provided by a consumer reporting agency under subsection (c)(1)(B) in connection with a credit or insurance transaction that is not initiated by the consumer by notifying the agency in accordance with paragraph (2) that the consumer does not consent to any use of a consumer report relating to the consumer in connection with any credit or insurance transaction that is not initiated by the consumer.

(2) MANNER OF NOTIFICATION.—A consumer shall notify a consumer reporting agency under paragraph (1)—

(A) through the notification system maintained by the agency under paragraph (5); or

(B) by submitting to the agency a signed notice of election form issued by the agency for purposes of this subparagraph.

(3) RESPONSE OF AGENCY AFTER NOTIFICATION THROUGH SYSTEM.—Upon receipt of notification of the election of a consumer under paragraph (1) through the notification system maintained by the agency under paragraph (5), a consumer reporting agency shall—

(A) inform the consumer that the election is effective only for the 5-year period following the election if the consumer does not submit to the agency a signed notice of election form issued by the agency for purposes of paragraph (2)(B); and

(B) provide to the consumer a notice of election form, if requested by the consumer, not later than 5 business days after receipt of the notification of the election through the system established under paragraph (5), in the case of a request made at the time the consumer provides notification through the system.

(4) EFFECTIVENESS OF ELECTION.—An election of a consumer under paragraph (1)—

(A) shall be effective with respect to a consumer reporting agency beginning 5 business days after the date on which the consumer notifies the agency in accordance with paragraph (2);

(B) shall be effective with respect to a consumer reporting agency—

(i) subject to subparagraph (C), during the 5-year period beginning 5 business days after the date on which the consumer notifies the agency of the election, in the case of an election for which a consumer notifies the agency only in accordance with paragraph (2)(A); or

(ii) until the consumer notifies the agency under subparagraph (C), in the case of an election for which a consumer notifies the agency in accordance with paragraph (2)(B);

(C) shall not be effective after the date on which the consumer notifies the agency, through the notification system established by the agency under paragraph (5), that the election is no longer effective; and

(D) shall be effective with respect to each affiliate of the agency.

(5) NOTIFICATION SYSTEM.—

(A) IN GENERAL.—Each consumer reporting agency that, under subsection (c)(1)(B), furnishes a consumer report in connection with a credit or insurance transaction that is not initiated by a consumer shall—

(i) establish and maintain a notification system, including a toll-free telephone number, which permits any consumer whose consumer report is maintained by the agency to notify the agency, with appropriate identification, of the consumer's election to have the consumer's name and address excluded from any such list of names and addresses provided by the agency for such a transaction; and

(ii) publish by not later than 365 days after the date of enactment of the Consumer Credit Reporting Reform Act of 1996, and not less than annually thereafter, in a publication of general circulation in the area served by the agency—

(I) a notification that information in consumer files maintained by the agency may be used in connection with such transactions; and

(II) the address and toll-free telephone number for consumers to use to notify the agency of the consumer's election under clause (i).

(B) ESTABLISHMENT AND MAINTENANCE AS COMPLIANCE.—Establishment and maintenance of a notification system (including a toll-free telephone number) and publication by a consumer reporting agency on the agency's own behalf and on behalf of any of its affiliates in accordance with this paragraph is deemed to be compliance with this paragraph by each of those affiliates.

(6) NOTIFICATION SYSTEM BY AGENCIES THAT OPERATE NATIONWIDE.—Each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall establish and maintain a notification system for purposes of paragraph (5) jointly with other such consumer reporting agencies.

(f) CERTAIN USE OR OBTAINING OF INFORMATION PROHIBITED.—A person shall not use or obtain a consumer report for any purpose unless—

(1) the consumer report is obtained for a purpose for which the consumer report is authorized to be furnished under this section; and

(2) the purpose is certified in accordance with section 607 by a prospective user of the report through a general or specific certification.

(g) PROTECTION OF MEDICAL INFORMATION.—

(1) LIMITATION ON CONSUMER REPORTING AGENCIES.—A consumer reporting agency shall not furnish for employment purposes, or in connection with a credit or insurance transaction, a consumer report that contains medical information (other than medical contact information treated in the manner required under section 605(a)(6)) about a consumer, unless—

(A) if furnished in connection with an insurance transaction, the consumer affirmatively consents to the furnishing of the report;

(B) if furnished for employment purposes or in connection with a credit transaction—

(i) the information to be furnished is relevant to process or effect the employment or credit transaction; and

(ii) the consumer provides specific written consent for the furnishing of the report that describes in clear and conspicuous language the use for which the information will be furnished; or

(C) the information to be furnished pertains solely to transactions, accounts, or balances relating to debts arising from the receipt of medical services, products, or devises, where such information, other than account status or amounts, is restricted or reported using codes that do not identify, or do not provide information sufficient to infer, the specific provider or the nature of such services, products, or devices, as provided in section 605(a)(6).

(2) LIMITATION ON CREDITORS.—Except as permitted pursuant to paragraph (3)(C) or regulations prescribed under paragraph (5)(A), a creditor shall not obtain or use medical information (other than medical information treated in the manner required under section 605(a)(6)) pertaining to a consumer in connection with any determination of the consumer's eligibility, or continued eligibility, for credit.

(3) ACTIONS AUTHORIZED BY FEDERAL LAW, INSURANCE ACTIVITIES AND REGULATORY DETERMINATIONS.—Section 603(d)(3) shall not be construed so as to treat information or any communication of information as a consumer report if the information or communication is disclosed—

(A) in connection with the business of insurance or annuities, including the activities described in section 18B of the model Privacy of Consumer Financial and Health Information Regulation issued by the National Association of Insurance Commissioners (as in effect on January 1, 2003);

(B) for any purpose permitted without authorization under the Standards for Individually Identifiable Health Information promulgated by the Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996, or referred to under section 1179 of such Act, or described in section 502(e) of Public Law 106–102; or

(C) as otherwise determined to be necessary and appropriate, by regulation or order, by the Bureau or the applicable State insurance authority (with respect to any person engaged in providing insurance or annuities).

(4) LIMITATION ON REDISCLOSURE OF MEDICAL INFORMATION.—Any person that receives medical information pursuant to paragraph (1) or (3) shall not disclose such information to any other person, except as necessary to carry out the purpose for which the information was initially disclosed, or as otherwise permitted by statute, regulation, or order.

(5) REGULATIONS AND EFFECTIVE DATE FOR PARAGRAPH (2).—

(A) REGULATIONS REQUIRED.—The Bureau may, after notice and opportunity for comment, prescribe regulations that permit transactions under paragraph (2) that are determined to be necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs (and which shall include permitting actions necessary for administrative verification purposes), consistent with the intent of paragraph (2) to restrict the use of medical information for inappropriate purposes.

(6) COORDINATION WITH OTHER LAWS.—No provision of this subsection shall be construed as altering, affecting, or superseding the applicability of any other provision of Federal law relating to medical confidentiality.

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