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(Original Signature of Member)

117TH CONGRESS  
1ST SESSION

# H. R.

To amend the Fair Credit Reporting Act to provide comprehensive reforms to the consumer credit reporting laws, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Ms. PRESSLEY introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Fair Credit Reporting Act to provide comprehensive reforms to the consumer credit reporting laws, 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 “Comprehensive Credit  
5 Reporting Enhancement, Disclosure, Innovation, and  
6 Transparency Act of 2021” or the “Comprehensive  
7 CREDIT Act of 2021”.

**1 SEC. 2. TABLE OF CONTENTS.**

2 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-  
18 tion to CRAs about their accounts such as the  
19 total amount for each loan or credit limit for  
20 each credit card and the consumer’s payment  
21 history on these products. Reports also include

1 identifying information about a consumer, such  
2 as their birthdate, previous mailing addresses,  
3 and current and previous employers.

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

16 (C) The 10 largest institutions furnishing  
17 credit information to each of the nationwide  
18 CRAs account for more than half of all ac-  
19 counts reflected in consumers’ credit files.

20 (D) Consumer reports play an increasingly  
21 important role in the lives of American con-  
22 sumers. Most creditors, for example, review  
23 these reports to make decisions about whether  
24 to extend credit to consumers and what terms  
25 and conditions to offer them. As such, informa-

1           tion contained in these reports affects whether  
2           a person is able to get a private education loan  
3           to pay for college costs, to secure a mortgage  
4           loan to buy a home, or to obtain a credit card,  
5           as well as the terms and conditions under which  
6           consumer credit products or services are offered  
7           to them.

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

15          (F) CRAs have a statutory obligation to  
16          verify independently the accuracy and complete-  
17          ness of information included on the reports that  
18          they provide.

19          (G) The nationwide CRAs have failed to  
20          establish and follow reasonable procedures, as  
21          required by existing law, to establish the max-  
22          imum level of accuracy of information contained  
23          on consumer reports. Given the repeated fail-  
24          ures of these CRAs to comply with accuracy re-  
25          quirements on their own, legislation is intended

1 to provide them with detailed guidance improv-  
2 ing the accuracy and completeness of informa-  
3 tion contained in consumer reports, including  
4 procedures, policies, and practices that these  
5 CRAs should already be following to ensure full  
6 compliance with their existing obligations.

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

16 (I) Current industry practices impose an  
17 unfair burden of proof on consumers trying to  
18 fix errors on their reports.

19 (J) Consumer reports containing inac-  
20 curate or incomplete credit information also un-  
21 dermine the ability of creditors and lenders to  
22 effectively and accurately underwrite and price  
23 credit.

24 (K) Recognizing that credit reporting af-  
25 fects the lives of almost all consumers in this

1 country and that the consequences of errors on  
2 a consumer report can be catastrophic for a  
3 consumer, the Consumer Bureau began accept-  
4 ing consumer complaints about credit reporting  
5 in October 2012.

6 (L) As of early December 2019, the Con-  
7 sumer Bureau has handled approximately  
8 391,560 credit reporting complaints about the  
9 top three CRAs, making credit reporting con-  
10 sistently in the top third most-complained-about  
11 subject matter on which the Consumer Bureau  
12 accepts consumer complaints. Incorrect infor-  
13 mation in reports and frustrations about bur-  
14 densome and time-consuming process to dis-  
15 puting items is are consistently top reported  
16 concerns from consumers.

17 (M) Other common types of credit report-  
18 ing complaints submitted to the Consumer Bu-  
19 reau related to the improper use of a report,  
20 trouble obtaining a report or credit score,  
21 CRAs' investigations, and credit monitoring or  
22 identity protection.

23 (N) In the fall 2019 "Supervisory High-  
24 lights", the Consumer Bureau noted that one or  
25 more of the largest CRAs continue to struggle



1 to adequately oversee furnishers to ensure that  
2 they were adhering to the CRA's vetting poli-  
3 cies and to establish proper procedures to verify  
4 public record information.

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

17 (P) A February 2014 Consumer Bureau  
18 report titled "Credit Reporting Complaint  
19 Snapshot" found that consumers are confused  
20 about the extent to which the nationwide CRAs  
21 are required to provide them with validation  
22 and documentation of a debt that appears on  
23 their credit report.

24 (Q) As evidence that the current system  
25 lacks sufficient market incentives for CRAs to

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

19 (R) Unlike most other business relation-  
20 ships, where consumers can register their satis-  
21 faction or unhappiness with a particular credit  
22 product or service simply by taking their busi-  
23 ness elsewhere, consumers have no say in  
24 whether their information is included in the  
25 CRAs databases and limited legal remedies to

1 hold the CRAs accountable for inaccuracies or  
2 poor service.

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

14 (2) INCORRECT INFORMATION ON CONSUMER  
15 REPORTS.—

16 (A) Consumers are entitled to dispute er-  
17 rors on their consumer reports with either the  
18 CRA, who issued the report, or directly with  
19 furnishers, who supplied the account informa-  
20 tion to the CRA, and request that mistakes be  
21 deleted or removed. Consumers, who believe an  
22 investigation has not correctly resolved their  
23 dispute, however, have few options, other than  
24 requesting that a statement about the dispute  
25 be included with their future reports.

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

11 (C) In “Report to Congress Under Section  
12 319 of the Fair and Accurate Credit Trans-  
13 actions Act of 2003” released by the Federal  
14 Government in December 2012, found that 26  
15 percent of survey participants identified at least  
16 one potentially material error on their consumer  
17 reports, and 13 percent experienced a change in  
18 their credit score once the error was fixed.

19 (D) Consumer Bureau examiners have  
20 identified repeated deficiencies with the nation-  
21 wide CRAs’ information collection. In the fall  
22 2019 “Supervisory Highlights”, the Consumer  
23 Bureau noted continued weaknesses with CRAs’  
24 methods and processes for assuring maximum  
25 possible accuracy in their reports. Examiners

1 also found, with certain exceptions, no quality  
2 control policies and procedures in place to test  
3 consumer reports for accuracy.

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

14 (F) In the winter 2015 “Supervisory High-  
15 lights” released in March 2015, the Consumer  
16 Bureau reported that one or more nationwide  
17 CRAs failed to adequately fulfill their dispute-  
18 handling obligations, including by not for-  
19 warding to furnishers all relevant information  
20 found in letters and supporting documents sup-  
21 plied by consumers when they submitted dis-  
22 putes failing to notify consumers that they had  
23 completed investigations, and not providing con-  
24 sumers with the results of the CRAs’ reviews  
25 about their disputes.

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

13 (H) Consumers’ increasing frustration  
14 about the difficulties of trying to fix credit re-  
15 porting errors, evidenced through the volume of  
16 consumer complaints related to errors sub-  
17 mitted to the Consumer Bureau, are also  
18 echoed in another Federal Government study  
19 issued in January 2015. In the “Report to Con-  
20 gress under Section 319 for the Fair and Accu-  
21 rate Credit Transactions Act of 2003”, the  
22 study found that nearly 70 percent (84 people)  
23 of participants from a previous survey that had  
24 filed disputes with CRAs continued to believe  
25 that at least some of the disputed information

1           remained inaccurate at the time of the follow-  
2           up survey. Despite these views, 50 percent (42  
3           people) of the survey participants decided to  
4           just give up trying to fix the errors, with only  
5           45 percent (38 people) of them planning to con-  
6           tinue to try to resolve their disputes.

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

18                 (i) enhance obligations on furnishers  
19                 to substantiate information and require  
20                 furnishers to keep records for the same  
21                 amount of time that adverse information  
22                 about these accounts may appear on a per-  
23                 son's consumer report;

24                 (ii) eliminate CRAs' discretion to de-  
25                 termine the relevancy of materials provided

1 by consumers to support their dispute  
2 claims by instead requiring them to pass  
3 all material onto furnishers and elimi-  
4 nating CRA's discretion to deem some dis-  
5 putes frivolous or irrelevant when a con-  
6 sumer resubmits a claim that they believe  
7 has been inadequately resolved;

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

15 (iv) create a new consumer right to  
16 appeal reviews by CRAs and furnishers of  
17 the initial disputes.

18 (3) INJUNCTIVE RELIEF.—

19 (A) Despite the fact that the FCRA cur-  
20 rently provides implicit authority for injunctive  
21 relief, consumers have been prevented from ex-  
22 ercising this right against CRAs. Legislation  
23 explicitly clarifying this right is intended to un-  
24 derscore congressional intent that injunctive re-



1           lief should be viewed as a remedy available to  
2           consumers.

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

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

18          (D) Absent explicit authority to issue in-  
19          junctions, history suggests that the nationwide  
20          CRAs are likely to continue conducting business  
21          as usual in treating any monetary settlements  
22          with individual consumers and fines imposed by  
23          State attorneys general and Federal regulators,  
24          simply as the "cost of doing business".

25          (4) CREDIT SCORES.—

1 (A) While nationwide CRAs are required  
2 by law to supply consumers with a free copy of  
3 their credit report annually, they can charge  
4 consumers to obtain a credit score disclosure.

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

16 (C) A February 2015 Consumer Bureau  
17 report titled “Consumer Voices on Credit Re-  
18 ports and Scores” found that consumers had  
19 questions about what actions to take to improve  
20 their scores once they had seen them, sug-  
21 gesting that additional disclosures and edu-  
22 cational content would be helpful to consumers.  
23 The Consumer Bureau found that consumers  
24 were confused by conflicting advice on how to  
25 improve their scores.

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

7 (5) PRIVATE EDUCATION LOANS.—

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

22 (B) Although private student loan holders  
23 may allow a borrower to postpone payments  
24 while enrolled in school full-time, many limit  
25 this option to a certain time period, usually 48

1 to 66 months. This limited time period may not  
2 be sufficient for those who need additional time  
3 to obtain their degree or who want to continue  
4 their education by pursuing a graduate or profes-  
5 sional degree. The Consumer Bureau found  
6 that borrowers who were unable to make pay-  
7 ments often defaulted or had their accounts  
8 sent to collections before they were even able to  
9 graduate.

10 (6) DECEPTIVE PRACTICES AT CERTAIN PRO-  
11 PRIETARY EDUCATION INSTITUTIONS AND CAREER  
12 EDUCATION PROGRAMS.—

13 (A) NCLC cited the proliferation of law  
14 enforcement actions against many for-profit  
15 schools in its June 2014 report, titled “Ensuring  
16 Educational Integrity: 10 Steps to Improve  
17 State Oversight of For-profit Schools”, to dem-  
18 onstrate the pervasive problem in this sector of  
19 targeting low-income students with deceptive  
20 high-pressure sales techniques involving inflated  
21 job placement rates and misleading data on  
22 graduate wages, and false representations about  
23 the transferability of credits and the employ-  
24 ability of graduates in occupations that require  
25 licensure. Student loan borrowers at these

1 schools may be left with nothing but worthless  
2 credentials and large debt. Those who default  
3 on their student loans face years with damaged  
4 credit that will adversely impact their ability to  
5 rent or buy homes, purchase cars, and find em-  
6 ployment.

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

16 (C) Attending a 2-year, for-profit college  
17 costs, on average, four times as much as at-  
18 tending a community college. Students at for-  
19 profit colleges represent only about 11 percent  
20 of the total higher education population but a  
21 startling 44 percent of all Federal student loan  
22 defaults, according to the United States De-  
23 partment of Education (“DOE”).

24 (D) According to NCLC, a dispropor-  
25 tionate number of for-profit students are low-in-

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

12                   (E) As highlighted in a press release titled  
13           “Obama Administration Announces Final Rules  
14           to Protect Students from Poor-Performing Ca-  
15           reer College Programs”, that was issued by the  
16           DOE on October 30, 2014, “[t]oo often, stu-  
17           dents at career colleges—including thousands of  
18           veterans—are charged excessive costs, but don’t  
19           get the education they paid for. Instead, stu-  
20           dents in such programs are provided with poor  
21           quality training, often for low-wage jobs or in  
22           occupations where there are simply no job op-  
23           portunities. They find themselves with large  
24           amounts of debt and, too often, end up in de-  
25           fault. In many cases, students are drawn into

1           these programs with confusing or misleading in-  
2           formation.”.

3           (7) MEDICAL DEBT.—

4           (A) Research by the Consumer Bureau has  
5           found that the inclusion of medical collections  
6           on consumer reports has unfairly reduced con-  
7           sumers’ credit scores.

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

23          (C) The Consumer Bureau found that half  
24          of all collections trade lines that appear on con-  
25          sumer reports are related to medical bills

1           claimed to be owed to hospitals and other med-  
2           ical providers. These trade lines affect the re-  
3           ports of nearly one-fifth of all consumers in the  
4           credit reporting system.

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

15          (E) Medical bills can be complex and con-  
16          fusing for many consumers, which results in  
17          consumers' uncertainty about what they owe, to  
18          whom, when, or for what, that may cause some  
19          people, who ordinarily pay their bills on time, to  
20          delay or withhold payments on their medical  
21          debts. This uncertainty can also result in med-  
22          ical collections appearing on consumer reports.  
23          In a December 2014 report titled "Consumer  
24          Credit Reports: A Study of Medical and Non-  
25          Medical Collections", the Consumer Bureau



1 found that a large portion of consumers with  
2 medical collections show no other evidence of fi-  
3 nancial distress and are consumers who ordi-  
4 narily pay their other financial obligations on  
5 time. Unlike with most credit products or serv-  
6 ices, such as credit cards, installment loans,  
7 utilities, or wireless or cable services that have  
8 contractual account disclosures describing the  
9 terms and conditions of use, most consumers  
10 are not told what their out-of-pocket medical  
11 costs will be in advance. Consumers needing ur-  
12 gent or emergency care rarely know, or are pro-  
13 vided, the cost of a medical treatment or proce-  
14 dure before the service is rendered.

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

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

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

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

17 (J) While the CRAs appear to be volun-  
18 tarily adopting policy changes on a nationwide  
19 basis, they are not obligated to do so for con-  
20 sumers who reside in States that are not party  
21 to any of the consent orders.

22 (K) As a result of the settlement agree-  
23 ments, the three nationwide CRAs will set a  
24 180-day waiting period before including medical  
25 collections on a report and will remove a med-

1           ical collection from a report once it is paid by  
2           an insurance company. While this change will  
3           benefit many, once a medical collection appears  
4           on a report, it will only be deleted or suppressed  
5           if it is found to have been the insurance com-  
6           pany's obligation to pay and the insurer pays it.  
7           Given the research showing there is little pre-  
8           dictive value in medical debt information, med-  
9           ical collections that are paid or settled should  
10          quickly be removed from a report, regardless of  
11          who pays or settles this debt.

12          (8) FINANCIAL ABUSE BY KNOWN PERSONS.—

13                (A) Financial abuse and exploitation are  
14                frequently associated with domestic violence.  
15                This type of abuse may result in fraudulent  
16                charges to a credit card or having fraudulent  
17                accounts created by the abuser in the survivor's  
18                name that could affect ratings by CRAs. Finan-  
19                cial abuse may also result in the survivor's in-  
20                ability to make timely payments on their valid  
21                obligations due to loss or changes in income  
22                that can occur when their abuser steals from or  
23                coerces the survivor to relinquish their pay-  
24                checks or savings that could affect ratings by  
25                CRAs.

1 (B) By racking up substantial debts in the  
2 survivor's name, abusers are able to exercise fi-  
3 nancial control over their survivors to make it  
4 economically difficult for the survivor, whose  
5 credit is often destroyed, to escape the situa-  
6 tion.

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

15 (D) Providing documentation of identity  
16 ("ID") theft in order to dispute information on  
17 one's consumer report can be particularly chal-  
18 lenging for those who know their financial  
19 abuser.

20 (E) While it is easier for consumers who  
21 obtain a police report to remove fraudulent in-  
22 formation from their consumer report and pre-  
23 vent it from reappearing in the future, accord-  
24 ing to the Empire Justice Center, safety and  
25 other noncredit concerns may impact the capac-

1           ity of a survivor of financial abuse committed  
2           by a known person to turn to law enforcement  
3           to get a police report.

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

13          (9) DECEPTIVE AND MISLEADING MARKETING  
14          PRACTICES.—

15          (A) The Consumer Bureau’s February  
16          2015 report titled “Consumer Voices on Credit  
17          Reports and Scores” found that some con-  
18          sumers did not obtain a copy of their consumer  
19          report due to concerns about security or of  
20          being trapped into purchasing unwanted prod-  
21          ucts like an additional report or a credit moni-  
22          toring service.

23          (B) In January 2017, the Consumer Bu-  
24          reau fined TransUnion and Equifax for decep-  
25          tively marketing credit scores for purchase by

1 consumers as the same credit scores typically  
2 used by lenders to determine creditworthiness  
3 and for luring consumers into costly subscrip-  
4 tion services that were advertised as “free” or  
5 “\$1” that automatically charged recurring fees  
6 unless cancelled by consumers. The Consumer  
7 Bureau also found that Equifax was illegally  
8 advertising its products on webpages that con-  
9 sumers accessed through  
10 AnnualCreditReport.com before consumers ob-  
11 tained their free disclosures. Because of these  
12 troubling practices, TransUnion was ordered to  
13 pay \$13.9 million in restitution to harmed con-  
14 sumers and a civil penalty of \$3 million to the  
15 Consumer Bureau. Equifax was ordered to pay  
16 more than \$3.7 million to affected consumers  
17 as well as a civil money penalty of \$2.5 million  
18 to the Consumer Bureau. As part of the con-  
19 sent orders, the CRAs are also supposed to  
20 change the way that they sell their products to  
21 consumers. The CRAs must also obtain con-  
22 sumers’ express consent before enrolling them  
23 into subscription services as well as make it  
24 easier for consumers to cancel these programs.

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

14 (D) The Consumer Bureau’s January and  
15 March 2017 consent orders with the three na-  
16 tionwide CRAs show that these CRAs have en-  
17 ticed consumers into purchasing products and  
18 services that they may not want or need, in  
19 some instances by advertising products or serv-  
20 ices “free” that automatically converted into an  
21 ongoing subscription service at the regular price  
22 unless cancelled by the consumer. Although  
23 these CRAs must now change their deceptive  
24 marketing practices, codifying these duties is an

1 appropriate way to ensure that these companies  
2 never revert back to such misleading tactics.

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

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

19 (10) CLARITY IN CREDIT SCORING.—

20 (A) The February 2015 report of the Bu-  
21 reau of Consumer Financial Protection titled  
22 “Consumer Voices on Credit Reports and  
23 Scores” found that some consumers are reluc-  
24 tant to comparison shop for loans and other  
25 types of consumer credit products out of fear



1           that they will lower their credit scores by doing  
2           so.

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

11                   (C) The Bureau of Consumer Financial  
12          Protection revealed that consumers with accu-  
13          rate perceptions of their creditworthiness may  
14          be better equipped to shop for favorable credit  
15          terms.

16                   (11) CREDIT CHECKS AND EMPLOYMENT DECI-  
17          SIONS.—

18                   (A) The use of consumer reports as a fac-  
19          tor in making hiring decisions has been found  
20          to be prevalent in a diverse array of occupa-  
21          tions, and is not limited to certain high-level  
22          management or executive positions.

23                   (B) According to the California Labor  
24          Federation, only 25 percent of employers re-  
25          searched the credit history of job applicants in

1           1998. However, this practice had increased to  
2           43 percent by 2006 and to 60 percent by 2011.

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

19          (D) Despite the absence of data showing a  
20          correlation between job performance and credit-  
21          worthiness, employers continue to use credit  
22          checks as a proxy for assessing character and  
23          integrity. According to a 2012 Society for  
24          Human Resource Management survey, organi-  
25          zations indicated that they used credit checks

1 on job candidates primarily to reduce or prevent  
2 theft and embezzlement and to minimize legal  
3 liability for negligent hiring.

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

14 (F) A September 2014 report by the New  
15 York City Council’s Committee on Civil Rights  
16 noted that, for those who have been unemployed  
17 for an extended period of time and whose credit  
18 has suffered as they fell behind on bills, the use  
19 of credit reports in the hiring process can exac-  
20 erbate and perpetuate an already precarious sit-  
21 uation.

22 (G) In a March 2013 Demos report titled  
23 “Discredited: How Employment Credit Checks  
24 Keep Out Qualified Workers Out of a Job”, one  
25 in four survey participants who were unem-

1           employed said that a potential employer had re-  
2           quested to check their credit report as part of  
3           a job application. Among job applicants with  
4           blemished credit histories in the survey, one in  
5           seven had been told that they were not being  
6           hired because of their credit history.

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

14          (I) Some negative information on a report  
15          may stem from uncontrollable circumstances, or  
16          significant life events in a consumer's life, such  
17          as a medical crisis or a divorce. Demos found  
18          that poor credit is associated with household  
19          unemployment, lack of health coverage, and  
20          medical debt, which are factors that reflect eco-  
21          nomic conditions in the country and personal  
22          misfortune that have little relationship with how  
23          well a job applicant would perform at work.

24          (J) In October 2011, FICO noted that  
25          from 2008 to 2009 approximately 50 million

1 people experienced a 20-point drop in their  
2 credit scores and about 21 million saw their  
3 scores decline by more than 50 points. While  
4 the Great Recession reduced many consumers'  
5 credit scores due to foreclosures and other fi-  
6 nancial hardships, the financial crisis had a  
7 particularly harsh impact on African Americans  
8 and Latinos, as racial and ethnic minorities and  
9 communities of color were frequently targeted  
10 by predatory mortgage lenders who steered bor-  
11 rowers into high-cost subprime loans, even when  
12 these borrowers would have qualified for less  
13 costly prime credit.

14 (K) A May 2006 Brookings Institution re-  
15 port titled "Credit Scores, Reports, and Getting  
16 Ahead in America" found that counties with a  
17 relatively higher proportion of racial and ethnic  
18 minorities in the United States tended to have  
19 lower credit scores compared with counties that  
20 had a lower concentration of communities of  
21 color.

22 (L) Studies have consistently found that  
23 African American and Latino households tend,  
24 on average, to have lower credit scores than  
25 White households. The growing use of credit

1 checks, therefore, may disproportionately screen  
2 otherwise qualified racial and ethnic minorities  
3 out of jobs, leading to discriminatory hiring  
4 practices, and further exacerbating the trend  
5 where unemployment for African American and  
6 Latino communities is elevated well above the  
7 rate of Whites.

8 (M) A 2012 Demos survey found that 65  
9 percent of White respondents reported having  
10 good or excellent credit scores while over half of  
11 African American households reported only hav-  
12 ing fair or bad credit.

13 (12) DECEPTIVE AND MISLEADING MARKETING  
14 PRACTICES.—

15 (A) The Consumer Bureau’s February  
16 2015 report titled “Consumer Voices on Credit  
17 Reports and Scores” found that some con-  
18 sumers did not obtain a copy of their consumer  
19 report due to concerns about security or of  
20 being trapped into purchasing unwanted prod-  
21 ucts like an additional report or a credit moni-  
22 toring service.

23 (B) In January 2017, the Consumer Bu-  
24 reau fined TransUnion and Equifax for decep-  
25 tively marketing credit scores for purchase by

1 consumers as the same credit scores typically  
2 used by lenders to determine creditworthiness  
3 and for luring consumers into costly subscrip-  
4 tion services that were advertised as “free” or  
5 “\$1” that automatically charged recurring fees  
6 unless cancelled by consumers. The Consumer  
7 Bureau also found that Equifax was illegally  
8 advertising its products on webpages that con-  
9 sumers accessed through  
10 AnnualCreditReport.com before consumers ob-  
11 tained their free disclosures. Because of these  
12 troubling practices, TransUnion was ordered to  
13 pay \$13.9 million in restitution to harmed con-  
14 sumers and a civil penalty of \$3 million to the  
15 Consumer Bureau. Equifax was ordered to pay  
16 more than \$3.7 million to affected consumers  
17 as well as a civil money penalty of \$2.5 million  
18 to the Consumer Bureau. As part of the con-  
19 sent orders, the CRAs are also supposed to  
20 change the way that they sell their products to  
21 consumers. The CRAs must also obtain con-  
22 sumers’ express consent before enrolling them  
23 into subscription services as well as make it  
24 easier for consumers to cancel these programs.

1           (C) The Consumer Bureau fined the other  
2 nationwide CRA—Experian—in March 2017  
3 for deceiving consumers about the use of credit  
4 scores that it marketed and sold to consumers  
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7 pages that consumers accessed through  
8 AnnualCreditReport.com before they obtained  
9 their free annual disclosures. Experian was or-  
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12 penalty of \$2.5 million to the Consumer Bu-  
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14           (D) The Consumer Bureau’s January and  
15 March 2017 consent orders with the three na-  
16 tionwide CRAs show that these CRAs have en-  
17 ticed consumers into purchasing products and  
18 services that they may not want or need, in  
19 some instances by advertising products or serv-  
20 ices “free” that automatically converted into an  
21 ongoing subscription service at the regular price  
22 unless cancelled by the consumer. Although  
23 these CRAs must now change their deceptive  
24 marketing practices, codifying these duties is an



1 appropriate way to ensure that these companies  
2 never revert back to such misleading tactics.

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

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

19 (13) PROTECTIONS FOR CONSUMERS' CREDIT  
20 INFORMATION.—

21 (A) Despite heightened awareness, inci-  
22 dents of ID theft continue to rise. In February  
23 2015, the Federal Government reported that ID  
24 theft was the top consumer complaint that it  
25 received for the 15th consecutive year. As these

1 incidents increase, consumers experience signifi-  
2 cant financial loss and emotional distress from  
3 the inability to safeguard effectively and inex-  
4 pensively their credit information from bad ac-  
5 tors.

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

15 (C) Despite the increasing incidents of  
16 children's ID theft, parents who want to  
17 proactively prevent their children from having  
18 their identity stolen, may not be able to do so.  
19 Only one of the three nationwide CRAs cur-  
20 rently allows parents from any State to set up  
21 a freeze for a minor child. At the other two na-  
22 tionwide CRAs, parents can only obtain a freeze  
23 after a child has become an ID theft victim be-  
24 cause, it is only at this point, that these CRAs  
25 have an existing credit file for the child. While

1 many States have enacted laws to address this  
2 problem, there is no existing Federal law.

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

14 (E) Consumers frequently express concern  
15 about the security of their financial informa-  
16 tion. According to a 2015 MasterCard survey,  
17 a majority of consumers (77 percent) have anx-  
18 iety about the possibility that their financial in-  
19 formation and Social Security numbers may be  
20 stolen or compromised, with about 55 percent  
21 of consumers indicating that they would rather  
22 have naked pictures of themselves leaked online  
23 than have their financial information stolen.

24 (F) That survey also revealed that con-  
25 sumers' fears about the online security of their

1 financial information even outweighed con-  
2 sumers' worries about other physical security  
3 dangers such as having their houses robbed (59  
4 percent) or being pickpocketed (46 percent).

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

16 **SEC. 4. EFFECTIVE DATE.**

17 Except as otherwise specified, the amendments made  
18 by this Act shall take effect 2 years after the date of the  
19 enactment of this Act.

20 **SEC. 5. DISCRETIONARY SURPLUS FUND.**

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

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

3 **TITLE I—IMPROVEMENTS TO**  
4 **THE DISPUTE PROCESS**

5 **SEC. 101. DISPUTE PROCEDURES AND DISCLOSURES RE-**  
6 **LATING TO REINVESTIGATIONS.**

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

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

12 “(1) REINVESTIGATIONS REQUIRED.—

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

21 “(i) conduct a reasonable reinvestiga-  
22 tion using the process described in para-  
23 graph (3) to determine whether the dis-  
24 puted information is inaccurate, incom-  
25 plete, or cannot be verified;

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

7           “(iii) before the end of the 30-day pe-  
8           riod beginning on the date on which the  
9           consumer reporting agency receives the no-  
10          tice of the dispute from the consumer or  
11          the reseller—

12                   “(I) record the current status of  
13                   the disputed information; or

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

16           “(B) EXTENSION OF PERIOD TO REINVES-  
17          TIGATE.—Except as provided in subparagraph  
18          (C), the 30-day period described in subpara-  
19          graph (A) may be extended for period not to ex-  
20          ceed 15 days if the consumer reporting agency  
21          receives additional information from the con-  
22          sumer or the reseller regarding the dispute  
23          after the date on which the consumer reporting  
24          agency notified any person who provided any

1 item of information in dispute under paragraph  
2 (2)(A).

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

11 “(2) PROMPT NOTICE OF DISPUTE TO FUR-  
12 NISHER OF INFORMATION; PROVISION OF INFORMA-  
13 TION REGARDING DISPUTE PROVIDED BY THE CON-  
14 SUMER OR RESELLER.—

15 “(A) IN GENERAL.—Before the end of the  
16 period of 5 business days beginning on the date  
17 on which a consumer reporting agency receives  
18 notice of a dispute from any consumer or re-  
19 seller under paragraph (1)(A), the consumer re-  
20 porting agency shall provide notification of the  
21 dispute to any person who provided any item of  
22 information in dispute, at the address and in  
23 the manner established with such person. The  
24 notice shall include all information, including  
25 substantiating documents, regarding the dispute

1           that was submitted to the consumer reporting  
2           agency.

3           “(B) PROVISION OF ADDITIONAL INFORMA-  
4           TION REGARDING DISPUTE AFTER NOTIFICA-  
5           TION TO THE FURNISHER OF INFORMATION.—  
6           If a consumer reporting agency receives addi-  
7           tional information regarding the dispute from  
8           the consumer or reseller after the agency pro-  
9           vides the notification described under subpara-  
10          graph (A) and before the end of the 30-day pe-  
11          riod described in paragraph (1)(A), the con-  
12          sumer reporting agency shall, not later than 3  
13          business days after receiving such information,  
14          provide such information to the person who pro-  
15          vided the information in dispute.

16          “(3) REASONABLE STANDARDS FOR CONSUMER  
17          REPORTING AGENCIES FOR CONDUCTING REINVES-  
18          TIGATIONS AND RESOLVING DISPUTES SUBMITTED  
19          BY CONSUMERS.—

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

23                  “(i) maintain sufficient resources and  
24                  trained staff, commensurate with the vol-  
25                  ume and complexity of disputes received or



1 reasonably anticipated to be received, to  
2 determine whether the disputed informa-  
3 tion is accurate, complete, or can be  
4 verified by the person who provided the in-  
5 formation;

6 “(ii) ensure that all staff involved at  
7 any level of the reinvestigation process, in-  
8 cluding any individual with ultimate au-  
9 thority over determining whether the dis-  
10 puted information is inaccurate, incom-  
11 plete, or cannot be verified, are located  
12 within the United States;

13 “(iii) verify that the personally identi-  
14 fiable information of the consumer submit-  
15 ting the dispute matches the personally  
16 identifiable information contained in the  
17 consumer’s file, and that such information  
18 is accurate and complete;

19 “(iv) verify that the consumer report-  
20 ing agency has a record of the information  
21 being disputed; and

22 “(v) conduct a reasonable review that  
23 considers all information, including sub-  
24 stantiating documents, provided by the  
25 consumer or reseller.

1           “(B) CONSUMER REPORTING.—The con-  
2           sumer reporting agency shall not impose any  
3           limitation or otherwise impede the ability of a  
4           consumer to submit information about the dis-  
5           puted item.

6           “(C) INDEPENDENT ANALYSIS.—The re-  
7           investigation conducted under subparagraph  
8           (A) shall be an independent analysis, separate  
9           from any investigation by a reseller or a person  
10          who provided the disputed information.

11          “(D) DELETION OR MODIFICATION OF IN-  
12          FORMATION CONTAINED IN A CONSUMER  
13          FILE.—If the disputed information is found to  
14          be inaccurate, incomplete, or cannot be verified,  
15          the dispute resolution staff of the consumer re-  
16          porting agency shall have the direct authority to  
17          delete or modify such information in the con-  
18          sumer’s file, as appropriate, during the 30-day  
19          period described in paragraph (1)(A), shall  
20          promptly notify the consumer of the results of  
21          the reinvestigation as described in paragraph  
22          (4), and shall promptly notify any person who  
23          provided such information to the consumer re-  
24          porting agency of the modification or deletion  
25          made to the consumer’s file.

1           “(4) NOTICE TO CONSUMER OF RESULTS OF  
2 REINVESTIGATION.—

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

11           “(B) CONTENTS OF NOTICE TO CONSUMER  
12 OF RESULTS OF REINVESTIGATION.—The notice  
13 described in subparagraph (A) shall include—

14           “(i) a statement that the reinvestiga-  
15 tion of the disputed information has been  
16 completed;

17           “(ii) 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, including a state-  
21 ment of the specific reasons supporting the  
22 determination;

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

1           “(I) a copy of the consumer re-  
2           port and credit score or educational  
3           score (if applicable) that is based  
4           upon the consumer’s revised file;

5           “(II) a statement identifying the  
6           specific information from the con-  
7           sumer’s file that was deleted or modi-  
8           fied because such information was de-  
9           termined to be inaccurate, incomplete,  
10          or unverifiable by the consumer re-  
11          porting agency;

12          “(III) a statement that the con-  
13          sumer has the right, free of charge, to  
14          obtain an additional consumer report  
15          and credit score or educational credit  
16          score (if applicable) within the 12-  
17          month period following the date of the  
18          conclusion of the reinvestigation, re-  
19          gardless of whether the consumer ob-  
20          tained or will obtain a free annual  
21          consumer report and credit score or  
22          educational score (if applicable) under  
23          section 612; and

24          “(IV) a statement that the con-  
25          sumer has the right, free of charge, to

1 request under subsection (d) that the  
2 consumer reporting agency furnish  
3 notifications of the consumer's revised  
4 report;

5 “(iv) a description of the procedure  
6 used by the dispute resolution staff of the  
7 consumer reporting agency to determine  
8 the accuracy or completeness of the infor-  
9 mation, including the business name, mail-  
10 ing address, telephone number, and Inter-  
11 net website address (if available) of any  
12 person who provided information who was  
13 contacted by the staff in connection with  
14 the determination;

15 “(v) a statement that the consumer  
16 has the right, free of charge, to add a nar-  
17 rative statement to the consumer's file dis-  
18 puting the accuracy or completeness of the  
19 information, regardless of the results of  
20 the reinvestigation by the agency, and the  
21 process for submitting such a narrative  
22 pursuant to subsection (b);

23 “(vi) a copy of all information relating  
24 to the consumer that was used by the con-  
25 sumer reporting agency in carrying out the

1 reinvestigation and relied upon as the basis  
2 for the determination about the accuracy  
3 and completeness of the disputed informa-  
4 tion;

5 “(vii) a statement that a consumer  
6 may, free of charge, challenge the results  
7 of the reinvestigation by appeal within 120  
8 days after the date the notice of the results  
9 of the reinvestigation was provided to the  
10 consumer and the process for submitting  
11 an appeal;

12 “(viii) a statement informing the con-  
13 sumer that a notation described in section  
14 605(e) will be added to the file of the con-  
15 sumer during the period in which the con-  
16 sumer appeals the results of a reinvestiga-  
17 tion and that such notation can be re-  
18 moved at the request of the consumer; and

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

21 “(5) REQUIREMENTS RELATING TO REINSER-  
22 TION OF PREVIOUSLY DELETED OR MODIFIED MATE-  
23 RIAL.—

24 “(A) CERTIFICATION OF NEW DETERMINA-  
25 TION THAT ITEM IS ACCURATE OR COM-

1            PLETE.—A consumer reporting agency may not  
2            reinsert into a consumer’s file any information  
3            that was previously deleted or modified pursu-  
4            ant to paragraph (3)(D), unless the person who  
5            provided the information—

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

8                    “(ii) submits a written certification  
9                    that the information is accurate and com-  
10                   complete; and

11                   “(iii) provides a statement describing  
12                   the specific reasons why the information  
13                   should be inserted.

14                   “(B) NOTICE TO CONSUMER BEFORE RE-  
15                   INSERTION CAN OCCUR.—Upon receipt of a re-  
16                   quest for reinsertion of disputed information  
17                   under subparagraph (A), the consumer report-  
18                   ing agency shall, not later than 5 business days  
19                   before the consumer reporting agency reinserts  
20                   the information into the consumer’s file, notify  
21                   the consumer in writing of such request for re-  
22                   insertion. Such notice shall include—

23                    “(i) the business name, mailing ad-  
24                    dress, telephone number, and Internet  
25                    website address (if available) of any person

1 who provided information to or contacted  
2 the consumer reporting agency in connec-  
3 tion with the reinsertion;

4 “(ii) a copy of the information relat-  
5 ing to the consumer, the certification that  
6 the information is accurate or complete,  
7 and the statement of the reasons sup-  
8 porting reinsertion provided by the person  
9 who provided the information to the con-  
10 sumer reporting agency under subpara-  
11 graph (A);

12 “(iii) a statement that the consumer  
13 may obtain, free of charge and within the  
14 12-month period following the date the no-  
15 tice under this subparagraph was issued, a  
16 consumer report and credit score or edu-  
17 cational score (if applicable) from the con-  
18 sumer reporting agency that includes the  
19 reinserted information, regardless of  
20 whether the consumer obtained or will ob-  
21 tain a free annual consumer report and  
22 credit score or educational credit score (if  
23 applicable) under section 612;

24 “(iv) a statement that the consumer  
25 may appeal the determination that the pre-



1           viously deleted or modified information is  
2           accurate or complete and a description of  
3           the procedure for the consumer to make  
4           such an appeal pursuant to subsection (i);  
5           and

6                   “(v) a statement that the consumer  
7           has the right to add a narrative statement,  
8           free of charge, to the consumer’s file dis-  
9           puting the accuracy or completeness of the  
10          disputed information and a description of  
11          the process to add such a narrative state-  
12          ment pursuant to subsection (b).

13                   “(6) EXPEDITED DISPUTE RESOLUTION.—If a  
14          consumer reporting agency determines that the in-  
15          formation provided by the consumer is sufficient to  
16          substantiate that the item of information is inac-  
17          curate, incomplete, or cannot be verified by the per-  
18          son who furnished such information, and the con-  
19          sumer reporting agency deletes or modifies such in-  
20          formation within 3 business days of receiving notice  
21          of the dispute, the consumer reporting agency shall  
22          be exempt from the requirements of paragraph (4),  
23          if the consumer reporting agency provides to the  
24          consumer—

1           “(A) prompt notice confirming the deletion  
2 or modification of the information from the con-  
3 sumer’s file in writing or by other means, if  
4 agreed to by the consumer when the informa-  
5 tion is disputed;

6           “(B) a statement of the consumer’s right  
7 to request that the consumer reporting agency  
8 furnish notifications of a revised consumer re-  
9 port pursuant to subsection (d);

10           “(C) not later than 5 business days after  
11 deleting or modifying the information, a copy of  
12 the consumer report and credit score or edu-  
13 cational score (if applicable) that is based upon  
14 the consumer’s revised file; and

15           “(D) a statement that the consumer may  
16 obtain, free of charge and within the 12-month  
17 period following the date the notice under this  
18 paragraph was sent to the consumer, a con-  
19 sumer report and credit score or educational  
20 score (if applicable) from the consumer report-  
21 ing agency, regardless of whether the consumer  
22 obtained or will obtain their free annual con-  
23 sumer report and credit score or educational  
24 score (if applicable) under section 612.

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

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

20       (c) INCLUDING SPECIALTY CONSUMER REPORTING  
21 AGENCIES IN REPORTS.—

22           (1) IN GENERAL.—Section 611(e) of the Fair  
23 Credit Reporting Act (15 U.S.C. 1681i(e)) is  
24 amended by inserting “or 603(x)” after “section  
25 603(p)”.

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

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

8           (1) in section 605B(c)(2), by striking “section  
9       611(a)(5)(B)” and inserting “section 611(a)(5)”;

10          (2) in section 611—

11           (A) in subsection (c), by striking “unless  
12       there is reasonable grounds to believe that it is  
13       frivolous or irrelevant,”; and

14           (B) in subsection (f)(3)—

15           (i) in subparagraph (A), by striking  
16       “paragraph (6), (7), or (8) of subsection  
17       (a)” and inserting “paragraph (4) or (5) of  
18       subsection (a)”;

19           (ii) in subparagraph (B), by striking  
20       “in the manner required under paragraph  
21       (8)(A)”;

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

24       (e) GLOBAL TECHNICAL CORRECTIONS TO REF-  
25       ERENCES TO NATIONWIDE SPECIALTY CONSUMER RE-

1 PORTING AGENCY.—The Fair Credit Reporting Act (15  
2 U.S.C. 1681 et seq.) is further amended—

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

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

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

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

11 “(h) INCREASED CONSUMER AWARENESS OF DIS-  
12 PUTATE RIGHTS.—

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

17 “(A) establish an Internet website acces-  
18 sible to consumers; and

19 “(B) post on the home page of such  
20 website a hyperlink to a separate webpage es-  
21 tablished and maintained solely for the purpose  
22 of providing information to a consumer about  
23 how to dispute an item of information in the  
24 consumer report of the consumer.

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

5                   “(A) may not include any type or form of  
6                   marketing, advertising, information, or material  
7                   associated with any products or services offered  
8                   or sold to consumers;

9                   “(B) shall clearly and conspicuously dis-  
10                  close a concise statement regarding how to file  
11                  a dispute through the agency, free of charge, in  
12                  the manner and format prescribed by the Bu-  
13                  reau;

14                  “(C) shall describe the types of documents  
15                  that will be used by the agency in resolving the  
16                  dispute, including the business name and mail-  
17                  ing address to which a consumer may send such  
18                  documents;

19                  “(D) shall include a clear and concise ex-  
20                  planation of and the process for using electronic  
21                  or other means to submit such documents, free  
22                  of charge, and without any character or data  
23                  limitation imposed by the agency;

24                  “(E) shall include a statement that the  
25                  consumer may submit information, free of

1 charge, that the consumer believes will assist  
2 the consumer reporting agency in determining  
3 the results of the reinvestigation of the dispute;

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

16 “(G) shall provide translations of all infor-  
17 mation on the webpage in each of the 10 most  
18 commonly spoken languages, other than  
19 English, in the United States, as determined by  
20 the Bureau of the Census on an ongoing basis,  
21 and in formats accessible to individuals with  
22 hearing or vision impairments.”.

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

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

5 “(f) DUTY OF FURNISHERS TO MAINTAIN RECORDS  
6 OF CONSUMERS.—

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

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

21 “(3) TRANSFER OF OWNERSHIP.—If a person  
22 providing information to a consumer reporting agen-  
23 cy is acquired by another person, or if another per-  
24 son acquires the right to repayment connected to  
25 such information, the acquiring person shall be sub-  
26 ject to the requirements of this subsection with re-



1       spect to such information to the same extent as the  
2       person who initially provided such information to the  
3       consumer reporting agency. The person selling or  
4       transferring the right to repayment shall provide the  
5       information described in paragraph (1) to the trans-  
6       feree or the acquirer.”.

7       **SEC. 104. DUTIES OF FURNISHERS RELATING TO DISPUTE**  
8                                   **PROCEDURES, NOTICES, AND DISCLOSURES.**

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

12           (1) in the subsection heading, by inserting  
13           “AND COMPLETE” after “ACCURATE”;

14           (2) in paragraph (1)—

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

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

19           (3) in paragraph (8)—

20                   (A) in subparagraph (A), by inserting  
21                   “and completeness” after “accuracy”; and

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

24      (b) NEGATIVE INFORMATION NOTICES TO CON-  
25      SUMERS.—Section 623(a)(7) of the Fair Credit Reporting

1 Act (15 U.S.C. 1681s–2(a)(7)) is amended to read as fol-  
2 lows:

3 “(7) DUTY OF FURNISHERS TO INFORM CON-  
4 SUMERS ABOUT REPORTING NEGATIVE INFORMA-  
5 TION.—

6 “(A) GENERAL NEGATIVE INFORMATION  
7 WARNING NOTICE TO ALL CONSUMERS PRIOR  
8 TO FURNISHING SUCH INFORMATION.—

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

21 “(ii) CONTENT.—Such notice shall—

22 “(I) be clear and conspicuous;

23 “(II) describe the types of activi-  
24 ties that constitute negative informa-  
25 tion;

1           “(III) inform the consumer that  
2           the person may report negative infor-  
3           mation relating to any such accounts  
4           or transactions to a consumer report-  
5           ing agency described in subsection (p)  
6           or (x) of section 603;

7           “(IV) state that the negative in-  
8           formation may appear on a consumer  
9           report of the consumer for the periods  
10          described in section 605 and that dur-  
11          ing such periods, the negative infor-  
12          mation may adversely impact the con-  
13          sumer’s credit score;

14          “(V) state that in some limited  
15          circumstances, the negative informa-  
16          tion may result in other adverse ac-  
17          tions, including a denial of a new job  
18          or a promotion from existing employ-  
19          ment; and

20          “(VI) state that the consumer  
21          has right to—

22                  “(aa) obtain a copy of their  
23                  consumer report and credit score  
24                  or educational score (if applica-  
25                  ble), which in some instances can

1 be obtained free of charge, from  
2 any consumer reporting agency  
3 to which negative information  
4 may be been sent; and

5 “(bb) dispute, free of  
6 charge, any errors on a consumer  
7 report relating to the consumer.

8 “(iii) TIMING OF NOTICE.—Such per-  
9 son shall provide such notice to a consumer  
10 not later than 90 days before the date on  
11 which the person furnishes negative infor-  
12 mation relating to such consumer.

13 “(B) SPECIFIC NEGATIVE INFORMATION  
14 NOTICE TO A CONSUMER.—

15 “(i) IN GENERAL.—Any person de-  
16 scribed in subparagraph (A) that has fur-  
17 nished negative information relating to ac-  
18 tivity on any accounts of a consumer held  
19 by such person or transactions associated  
20 with credit extended to a consumer by such  
21 person to a consumer reporting agency de-  
22 scribed in subsection (p) or (x) of section  
23 603 shall send a written notice to each  
24 such consumer.

25 “(ii) CONTENT.—Such notice shall—

1 “(I) be clear and conspicuous;

2 “(II) inform the consumer that  
3 the person has furnished negative in-  
4 formation relating to such accounts or  
5 transactions to a consumer reporting  
6 agency described in subsection (p) or  
7 (x) of section 603;

8 “(III) identify any consumer re-  
9 porting agency to which the negative  
10 information was furnished, including  
11 the name of the agency, mailing ad-  
12 dress, Internet website address, and  
13 toll-free telephone number; and

14 “(IV) include the statements de-  
15 scribed in subclauses (IV), (V), and  
16 (VI) of subparagraph (A)(ii).

17 “(iii) TIME OF NOTICE.—Such person  
18 shall provide such notice to a consumer not  
19 later than 5 business days after the date  
20 on which the person furnished negative in-  
21 formation relating to such consumer.

22 “(C) NOTICE EFFECTIVE FOR SUBSE-  
23 QUENT SUBMISSIONS.—After providing the no-  
24 tice described in subparagraph (B), the person  
25 may submit additional negative information to

1 a consumer reporting agency described in sub-  
2 section (p) or (x) of section 603 without pro-  
3 viding additional notice to the consumer, unless  
4 another person acquires the right to repayment  
5 connected to the additional negative informa-  
6 tion. The acquiring person shall be subject to  
7 the requirements of this paragraph and shall be  
8 required to send consumers the written notices  
9 described in this paragraph, if applicable.

10 “(D) NON-TRADITIONAL DATA FUR-  
11 NISHERS.—Any person that furnishes negative  
12 information to a consumer reporting agency de-  
13 scribed in subsection (p) or (x) of section 603  
14 relating to any accounts of, or transactions as-  
15 sociated with, a consumer by such person in-  
16 volving non-traditional data shall be subject to  
17 the requirements described in subparagraphs  
18 (A), (B), and (C).

19 “(E) MODEL NOTICES.—

20 “(i) DUTY OF BUREAU.—Not later  
21 than 6 months after date of the enactment  
22 of this paragraph, the Bureau shall issue  
23 model forms for the notices described in  
24 subparagraphs (A) and (B) that a person

1           may use to comply with the requirements  
2           of this paragraph.

3           “(ii) USE OF MODEL NOTICE NOT RE-  
4           QUIRED.—No provision of this paragraph  
5           may be construed to require a person to  
6           use the model notices prescribed by the  
7           Bureau.

8           “(iii) COMPLIANCE USING MODEL NO-  
9           TICES.—A person shall be deemed to be in  
10          compliance with the requirements of sub-  
11          paragraph (A)(ii) or (B)(ii) (as applicable)  
12          if the person uses the model notice pre-  
13          scribed by the Bureau.

14          “(F) ISSUANCE OF GENERAL NEGATIVE  
15          WARNING NOTICE WITHOUT SUBMITTING NEGA-  
16          TIVE INFORMATION.—No provision of this para-  
17          graph may be construed to require a person de-  
18          scribed in subparagraph (A) or (D) to furnish  
19          negative information about a consumer to a  
20          consumer reporting agency described in sub-  
21          section (p) or (x) of section 603.

22          “(G) SAFE HARBOR.—A person shall not  
23          be liable for failure to perform the duties re-  
24          quired by this paragraph if the person reason-

1 ably believes that the person is prohibited, by  
2 law, from contacting the consumer.

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

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

10 “(i) NEGATIVE INFORMATION.—The  
11 term ‘negative information’ means infor-  
12 mation concerning a consumer’s delin-  
13 quencies, late payments, insolvency, or any  
14 form of default.

15 “(ii) NON-TRADITIONAL DATA.—The  
16 term ‘non-traditional data’ relates to tele-  
17 communications payments, utility pay-  
18 ments, rent payments, remittances, wire  
19 transfers, and such other items as deter-  
20 mined by the Bureau.”.

21 (c) DUTIES OF FURNISHERS AFTER RECEIVING NO-  
22 TICE OF DISPUTE FROM A CONSUMER.—Section  
23 623(a)(8)(E) of the Fair Credit Reporting Act (15 U.S.C.  
24 1681s-2(a)(8)(E)) is amended to read as follows:



1           “(E) DUTIES OF FURNISHERS AFTER RE-  
2           CEIVING NOTICE OF DISPUTE FROM A CON-  
3           SUMER.—After receiving a notice of dispute  
4           from a consumer pursuant to subparagraph  
5           (D), the person that provided the information  
6           in dispute to a consumer reporting agency  
7           shall—

8                   “(i) promptly provide to each con-  
9                   sumer reporting agency to which the per-  
10                  son furnished the disputed information the  
11                  notice of dispute;

12                   “(ii) review all information, including  
13                   any substantiating documents, provided by  
14                   the consumer about the disputed informa-  
15                   tion and conduct an investigation, separate  
16                   from any reinvestigation by a consumer re-  
17                   porting agency or a reseller conducted with  
18                   respect to the disputed information;

19                   “(iii) before the expiration of the pe-  
20                   riod under section 611(a)(1) within which  
21                   a consumer reporting agency would be re-  
22                   quired to complete its action if the con-  
23                   sumer had elected to dispute the informa-  
24                   tion under that section, complete an inves-  
25                   tigation of the disputed information pursu-

1 ant to the standards described in subpara-  
2 graph (G);

3 “(iv) notify the consumer, in writing,  
4 of the receipt of the dispute that in-  
5 cludes—

6 “(I) a statement about any infor-  
7 mation additional to the information  
8 that the person is required to main-  
9 tain under subsection (f) that would  
10 support the person’s ability to carry  
11 out an investigation to resolve the  
12 consumer’s dispute; and

13 “(II) a statement that the con-  
14 sumer reporting agency to which the  
15 disputed information was provided will  
16 include a notation described in section  
17 605(e) in the consumer’s file until the  
18 investigation has been completed, and  
19 information about how a consumer  
20 may request that such notation is re-  
21 moved by the agency;

22 “(v) if the investigation determines  
23 the disputed information is inaccurate, in-  
24 complete, or unverifiable, promptly notify  
25 each consumer reporting agency to which

1 the person furnished such information in  
2 accordance with paragraph (2); and

3 “(vi) notify the consumer of the re-  
4 sults of the investigation, in writing, in ac-  
5 cordance with subparagraph (H).”.

6 (d) ELIMINATING FURNISHERS’ AUTHORITY TO DIS-  
7 MISS DISPUTES AS FRIVOLOUS OR IRRELEVANT.—Section  
8 623(a)(8) of the Fair Credit Reporting Act (15 U.S.C.  
9 1681s–2(a)(8)) is amended by striking subparagraph (F)  
10 and redesignating subparagraph (G) as subparagraph (F).

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

15 “(G) REASONABLE STANDARDS FOR FUR-  
16 NISHERS FOR CONDUCTING INVESTIGATIONS  
17 AND RESOLVING DISPUTES SUBMITTED BY CON-  
18 SUMERS.—In any investigation conducted by a  
19 person who furnishes information to a con-  
20 sumer reporting agency of an item of informa-  
21 tion being disputed by a consumer, the person,  
22 at a minimum—

23 “(i) shall maintain sufficient resources  
24 and trained staff, commensurate with the  
25 volume and complexity of disputes received

1 or reasonably anticipated to be received, to  
2 conduct investigations;

3 “(ii) shall verify that the person has a  
4 record of the particular information being  
5 disputed, consistent with the requirements  
6 of subsection (f);

7 “(iii) shall verify that the personally  
8 identifiable information of the consumer  
9 submitting the dispute matches the person-  
10 ally identifiable information contained on  
11 such records;

12 “(iv) shall conduct a reasonable re-  
13 view to determine whether the disputed in-  
14 formation is accurate, complete, and can  
15 be verified that considers all the informa-  
16 tion, including any substantiating docu-  
17 ments, provided by the consumer about the  
18 disputed information;

19 “(v) shall ensure that the investiga-  
20 tion is an independent analysis that is sep-  
21 arate from any reinvestigation by a con-  
22 sumer reporting agency or a reseller con-  
23 ducted with respect to the disputed infor-  
24 mation; and

1           “(vi) may not impose any limitations  
2           or otherwise impede the ability of a con-  
3           sumer to submit information, including  
4           any substantiating documents, about the  
5           disputed information.

6           “(H) CONTENTS OF THE NOTICE TO THE  
7           CONSUMER ABOUT THE RESULTS OF THE IN-  
8           VESTIGATION BY THE FURNISHER.—The notice  
9           of the results of the investigation described in  
10          subparagraph (E) shall include—

11           “(i) a statement informing the con-  
12           sumer as to whether the disputed informa-  
13           tion was determined to be inaccurate, in-  
14           complete, or unverifiable;

15           “(ii) a statement of the specific rea-  
16           sons supporting the results of the inves-  
17           tigation;

18           “(iii) a description of the procedure  
19           used by the dispute resolution staff of the  
20           person who furnishes information to a con-  
21           sumer reporting agency to determine the  
22           accuracy or completeness of the informa-  
23           tion, including the business name, mailing  
24           address, telephone number, and Internet  
25           website address (if available) of any person

1 who was contacted by the staff in connec-  
2 tion with the determination;

3 “(iv) a copy of all information relating  
4 to the consumer that was used in carrying  
5 out the investigation and was the basis for  
6 any determination about the accuracy or  
7 completeness of the disputed information;

8 “(v) a statement that consumer will  
9 receive, free of charge, a copy of their con-  
10 sumer report and credit score or edu-  
11 cational credit score (if applicable), from  
12 any consumer reporting agency to which  
13 the disputed information had been pro-  
14 vided, regardless of whether the consumer  
15 obtained or will obtain a free consumer re-  
16 port and credit score or educational credit  
17 score (if applicable) in the 12-month period  
18 preceding receipt of the notice described in  
19 this subparagraph pursuant to section  
20 612(a)(1);

21 “(vi) if the disputed information was  
22 found to be inaccurate, incomplete, or un-  
23 verifiable, a statement that the consumer  
24 report of the consumer shall be revised to

1 reflect the change to the consumer's file as  
2 a result of the investigation;

3 “(vii) a statement that the consumer  
4 has the right to appeal the results of the  
5 investigation under paragraph (10), free of  
6 charge, within 120 days after the date of  
7 the notice of the results of the investiga-  
8 tion was provided to the consumer and the  
9 process for submitting an appeal;

10 “(viii) a statement that the consumer  
11 may add a narrative statement, free of  
12 charge, to the consumer's file held by the  
13 consumer reporting agency to which the in-  
14 formation has been furnished disputing the  
15 accuracy or completeness of the informa-  
16 tion, regardless of the results of the inves-  
17 tigation by the person, and the process for  
18 contacting any agency that received the  
19 consumer's information from the person to  
20 submit a narrative statement;

21 “(ix) a statement informing the con-  
22 sumer that a notation described in section  
23 605(e) will be added to the consumer's file  
24 during the period in which the consumer  
25 appeals the results of an investigation and

1 that such notation can be removed at the  
2 request of the consumer; and

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

17 (f) CONFORMING AMENDMENT.—Section  
18 615(a)(4)(B) is amended—

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

21 (2) by striking “furnished by the agency” and  
22 inserting “to a consumer reporting agency under  
23 section 611 or to a person who furnished informa-  
24 tion to an agency under section 623”.



1 **SEC. 105. RIGHT TO APPEAL DISPUTES RELATING TO RE-**  
2 **INVESTIGATIONS AND INVESTIGATIONS.**

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

7 (1) in subsection (b), by inserting “or if the  
8 consumer is unsatisfied with the results of an appeal  
9 conducted under subsection (i),” after “resolve the  
10 dispute,”; and

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

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

15 “(1) IN GENERAL.—Within 120 days after the  
16 date of receipt of the results of a reinvestigation  
17 conducted under subsection (a), a consumer (or au-  
18 thorized third party) may, free of charge, appeal the  
19 results of such reinvestigation by submitting a notice  
20 of appeal to the consumer reporting agency.

21 “(2) NOTICE OF APPEAL.—

22 “(A) REQUIREMENTS.—A notice of appeal  
23 described in paragraph (1) may be submitted in  
24 writing, or through a toll-free telephone number  
25 or other electronic means established by the  
26 consumer reporting agency (including on the

1 Internet website described in subsection (h)),  
2 and—

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

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

8 “(iii) may provide any information the  
9 consumer believes is relevant to substan-  
10 tiate the validity of the dispute.

11 “(B) CONSUMER REPORTING AGENCY NO-  
12 TICE TO CONSUMER.—Upon receipt of such no-  
13 tice of appeal, the consumer reporting agency  
14 shall promptly provide to the consumer a state-  
15 ment confirming the receipt of the consumer’s  
16 notice of appeal that shall include—

17 “(i) an approximate date on which the  
18 consumer’s appeal review will be com-  
19 pleted;

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

22 “(iii) an employee reference number  
23 or other employee identifier for each of the  
24 specific individuals designated by the con-  
25 sumer reporting agency who, upon the re-

1                   quest of the consumer, may discuss the  
2                   substance and status of the appeal.

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

5                   “(A) IN GENERAL.—Not later than 20  
6                   days after receiving a notice of appeal, the con-  
7                   sumer reporting agency shall review the appeal.  
8                   If the consumer reporting agency determines  
9                   the information is inaccurate, incomplete, or  
10                  cannot be verified, the consumer reporting  
11                  agency shall delete or modify the item of infor-  
12                  mation being disputed by the consumer from  
13                  the file of the consumer before the end of the  
14                  20-day period beginning on the date on which  
15                  the consumer reporting agency receives a notice  
16                  of an appeal from the consumer.

17                  “(B) NOTICE OF APPEAL TO FURNISHER;  
18                  INFORMATION REGARDING DISPUTE PROVIDED  
19                  BY THE CONSUMER.—

20                  “(i) IN GENERAL.—Before the end of  
21                  the period of 3 business days beginning on  
22                  the date on which a consumer reporting  
23                  agency receives a notice of appeal, the con-  
24                  sumer reporting agency shall provide no-  
25                  tice of the appeal, including all information

1 relating to the specific appeal that the con-  
2 sumer reporting agency has received from  
3 the consumer, to any person who provided  
4 any information in dispute.

5 “(ii) PROVISION OF ADDITIONAL IN-  
6 FORMATION REGARDING THE DISPUTE.—If  
7 the consumer reporting agency receives ad-  
8 ditional information from the consumer  
9 after the agency provides the notice re-  
10 quired under clause (i) and before the end  
11 of the 20-day period described in subpara-  
12 graph (A), the consumer reporting agency  
13 shall, not later than 3 business days after  
14 receiving such information, provide such  
15 information to any person who provided  
16 the information in dispute and shall have  
17 an additional 10 business days to complete  
18 the appeal review.

19 “(C) MINIMUM STANDARDS FOR APPEALS  
20 EMPLOYEES.—

21 “(i) DESIGNATION.—Upon receipt of  
22 a notice of appeal under paragraph (1), a  
23 consumer reporting agency shall designate  
24 one or more specific employees who—

1           “(I) shall be assigned an em-  
2           ployee reference number or other em-  
3           ployee identifier that can be used by  
4           the consumer to discuss the appeal  
5           with the specific individuals handling  
6           the appeal;

7           “(II) shall have direct authority  
8           to resolve the dispute that is the sub-  
9           ject of the notice of appeal from the  
10          review stage to its completion;

11          “(III) shall meet minimum train-  
12          ing and ongoing certification require-  
13          ments at regular intervals, as estab-  
14          lished by the Bureau;

15          “(IV) shall be located within the  
16          United States;

17          “(V) may not have been involved  
18          in the reinvestigation conducted or  
19          terminated pursuant to subsection (a);  
20          and

21          “(VI) may not be subject to any  
22          requirements linking incentives, in-  
23          cluding promotion, to the number of  
24          appeals processed within a certain  
25          time period.

1           “(ii) REQUIREMENTS.—Such employ-  
2           ees shall conduct a robust review of the ap-  
3           peal and make a determination regarding  
4           the accuracy and completeness of the dis-  
5           puted information by—

6                   “(I) conducting an independent  
7                   analysis, separate from any investiga-  
8                   tion by a reseller or person who pro-  
9                   vided the disputed information, and  
10                  separate from any prior reinvestiga-  
11                  tion conducted by the consumer re-  
12                  porting agency of the disputed infor-  
13                  mation;

14                  “(II) verifying that the personally  
15                  identifiable information of the con-  
16                  sumer submitting the dispute matches  
17                  the personally identifiable information  
18                  contained on the consumer’s file;

19                  “(III) analyzing the notice of ap-  
20                  peal and all information, including  
21                  any substantiating documents, pro-  
22                  vided by the consumer with the notice  
23                  of appeal;

24                  “(IV) evaluating the validity of  
25                  any information submitted by any

1 person that was used by the consumer  
2 reporting agency in the reinvestigation  
3 of the initial dispute;

4 “(V) verifying that the consumer  
5 reporting agency has a record of the  
6 information being disputed; and

7 “(VI) applying any additional  
8 factors or investigative processes, as  
9 specified by the Bureau.

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

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

1           “(ii) a copy of all information relating  
2           to the consumer that was used as a basis  
3           for deciding the results of the appeal;

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

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

16          “(v) information describing that the  
17          consumer may submit a statement, without  
18          charge, disputing the accuracy or com-  
19          pleteness of information in the consumer’s  
20          file that was the subject of an appeal  
21          under this subsection by submitting a  
22          statement directly to each consumer re-  
23          porting agency that received the informa-  
24          tion;



1           “(vi) a description of the consumer’s  
2           rights pursuant to subsection (d) (relating  
3           to furnishing notifications to certain users  
4           of consumer reports); and

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

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

23          (b) APPEALS OF INVESTIGATIONS CONDUCTED BY  
24          FURNISHERS OF INFORMATION.—Section 623(a) of the  
25          Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)) is

1 amended by adding at the end the following new para-  
2 graph:

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

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

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

18 “(i) shall identify the information con-  
19 tained in the consumer’s file that is the  
20 subject of the appeal;

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

23 “(iii) may include any information, in-  
24 cluding substantiating documents, the con-  
25 sumer believes is relevant to the appeal.

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

3           “(i) before the end of the period of 3  
4 business days beginning on the date on  
5 which the furnisher receives the notice of  
6 appeal, notify each consumer reporting  
7 agency to which the person furnished such  
8 information a statement identifying the  
9 items of information that a consumer is  
10 appealing; and

11           “(ii) notify the consumer confirming  
12 the receipt of the consumer’s notice of ap-  
13 peal, including an approximate date when  
14 the consumer’s appeal will be completed,  
15 the process and procedures by which a re-  
16 view of the appeal will be conducted, and  
17 the specific individual designated by the  
18 consumer reporting agency who, upon the  
19 request of the consumer, may discuss the  
20 substance and status of the appeal.

21           “(D) FURNISHER REQUIREMENTS UPON  
22 RECEIPT OF NOTICE OF APPEAL.—Not later  
23 than 20 days after receiving a notice of appeal,  
24 the furnisher shall determine whether the item  
25 of information being disputed by the consumer

1 is inaccurate, incomplete, or cannot be verified,  
2 and shall notify the consumer reporting agency  
3 of the determination. If the furnisher cannot  
4 verify the accuracy or completeness of the dis-  
5 puted information, the furnisher shall, before  
6 the end of the 20-day period beginning on the  
7 date on which the furnisher receives notice of  
8 an appeal from the consumer, submit instruc-  
9 tions to the consumer reporting agency that the  
10 item of information being disputed by the con-  
11 sumer should be deleted from the file of the  
12 consumer.

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

17 “(i) shall be assigned an employee ref-  
18 erence number or other employee identifier  
19 that can be used by the consumer to dis-  
20 cuss the appeal with the specific individ-  
21 uals handling the appeal;

22 “(ii) shall have direct authority to re-  
23 solve the dispute that is the subject of the  
24 notice of appeal on behalf of the furnisher  
25 from the review stage to its completion;

1           “(iii) shall meet minimum training  
2           and ongoing certification requirements at  
3           regular intervals, as established by the Bu-  
4           reau;

5           “(iv) may not have been involved in  
6           an investigation conducted pursuant to  
7           paragraph (8); and

8           “(v) may not be subject to any re-  
9           quirements linking incentives, including  
10          promotion, to the number of appeals proc-  
11          essed within a certain time period.

12          “(F) REQUIREMENTS FOR APPEALS PROC-  
13          ESS.—Such employees shall conduct a robust  
14          review of the appeal and make a determination  
15          regarding the accuracy and completeness of the  
16          disputed information by—

17               “(i) conducting an independent anal-  
18               ysis, separate from any reinvestigation by  
19               a reseller or consumer reporting agency, of  
20               the disputed information;

21               “(ii) verifying that the personally  
22               identifiable information related to the dis-  
23               pute is accurate and complete;

24               “(iii) analyzing the notice of appeal  
25               and all information, including substan-

1           tiating documents, provided by the con-  
2           sumer with the notice of appeal;

3           “(iv) evaluating the validity of any in-  
4           formation submitted by any person that  
5           was used by the furnisher in the initial in-  
6           vestigation into the dispute;

7           “(v) verifying that the information  
8           being disputed relates to the consumer in  
9           whose file the information is located;

10          “(vi) verifying that the furnisher has  
11          a record of the information being disputed;  
12          and

13          “(vii) applying any additional factors  
14          or investigative processes, as specified by  
15          the Bureau.

16          “(G) EXTENSION OF REVIEW PERIOD.—If  
17          a consumer submits additional information re-  
18          lated to the appeal after the period of 3 busi-  
19          ness days described in subparagraph (C)(i) and  
20          before the end of the 20-day period described in  
21          subparagraph (D), the furnisher shall have an  
22          additional 10 business days to complete the re-  
23          view of the appeal.

24          “(H) NOTICE OF APPEAL RESULTS.—Not  
25          later than 5 days after the end of the 20-day

1 period described in subparagraph (D) (or the  
2 10-day extension described under subparagraph  
3 (G), as applicable) the furnisher shall provide  
4 the consumer with written notice of the results  
5 of the appeal by mail or, if requested by the  
6 consumer, by other means. The contents of  
7 such notice shall include—

8 “(i) a statement that the appeal is  
9 completed and the date on which it was  
10 completed, the results of the appeal, and  
11 the specific reasons supporting the results  
12 of the appeal;

13 “(ii) a copy of all information relating  
14 to the consumer that was used as a basis  
15 for deciding the results of the appeal;

16 “(iii) if the appeal results in any  
17 change to the consumer report, a notifica-  
18 tion that the consumer shall receive a copy,  
19 free of charge, of a revised consumer re-  
20 port (based upon the consumer’s file as  
21 that file was changed as a result of the ap-  
22 peal) and a credit score or educational  
23 credit score (if applicable) from each con-  
24 sumer reporting agency that had been fur-  
25 nished incorrect information;

1           “(iv) a description of the procedure  
2           used to determine the accuracy and com-  
3           pleteness of the information, including the  
4           business name, telephone number, mailing  
5           address, and Internet website address (if  
6           applicable), of any person who provided in-  
7           formation that was contacted in connection  
8           with such information, if reasonably avail-  
9           able;

10           “(v) information describing that the  
11           consumer may submit a statement, without  
12           charge, disputing the accuracy or com-  
13           pleteness of information in the consumer’s  
14           file that was the subject of an appeal  
15           under this paragraph by submitting a  
16           statement directly to each consumer re-  
17           porting agency that received the informa-  
18           tion; and

19           “(vi) a notification that the consumer  
20           may request the furnisher to submit to  
21           each consumer reporting agency the con-  
22           sumer’s request to furnish notifications  
23           pursuant to section 611(d) (relating to fur-  
24           nishing notifications to certain users of  
25           consumer reports).”.



1           (c) TECHNICAL AMENDMENT.—Section 623(a)(8)(A)  
2 of the Fair Credit Reporting Act (15 U.S.C. 1681s–  
3 2(a)(8)(A)) is amended by striking “reinvestigate” and in-  
4 serting “investigate”.

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

8           (1) in subsection (c)—

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

11                   (B) in the subsection heading, by striking  
12 “RIGHTS TO OBTAIN AND DISPUTE INFORMA-  
13 TION IN CONSUMER REPORTS AND TO OBTAIN  
14 CREDIT SCORES” and inserting “KEY CON-  
15 SUMER REPORTING RIGHTS”; and

16                   (C) in paragraph (1)—

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

19                           (ii) in subparagraph (B)—

20                                   (I) in clause (ii), by striking “a  
21 consumer report without charge under  
22 section 612” and inserting “consumer  
23 reports and credit scores or edu-  
24 cational credit scores (as applicable)  
25 without charge under section 612”;

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

3 (III) by striking clauses (iv) and  
4 (vi);

5 (IV) by inserting after clause (iii)  
6 the following new clause:

7 “(iv) the right of a consumer to ap-  
8 peal a determination of a reinvestigation  
9 conducted by a consumer reporting agency  
10 under section 611(i) or an investigation  
11 conducted by a furnisher of information  
12 under section 623(a)(10);” and

13 (V) by adding at the end the fol-  
14 lowing new clause:

15 “(vi) the method and circumstances  
16 under which consumers can obtain a 1-  
17 year fraud alert, 7-year fraud alert, active  
18 duty alert, or security freeze as described  
19 in section 605A through a consumer re-  
20 porting agency described under section  
21 603(p).”;

22 (iii) in subparagraph (C) (as amended  
23 by subparagraph (A)) by inserting “and  
24 the Commission” after “Bureau”; and

1 (iv) by adding at the end the following  
2 new subparagraph:

3 “(D) PUBLICATION OF SUMMARY  
4 RIGHTS.—A consumer reporting agency de-  
5 scribed under subsection (p) or (x) of section  
6 603 shall display in a clear and conspicuous  
7 manner, including on the Internet website of  
8 the consumer reporting agency, the summary of  
9 rights prepared by the Bureau under this para-  
10 graph.”; and

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

13 **SEC. 106. REVISED CONSUMER REPORTS.**

14 Section 611 of the Fair Credit Reporting Act (15  
15 U.S.C. 1681i), as amended by section 105(a)(2), is further  
16 amended by adding at the end the following new sub-  
17 section:

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

1 **SEC. 107. INDICATION OF DISPUTE BY CONSUMERS AND**  
2 **USE OF DISPUTED INFORMATION.**

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

5 “(f) INDICATION OF DISPUTE.—

6 “(1) IN GENERAL.—A consumer reporting  
7 agency shall include in any consumer report based  
8 on the consumer’s file a notation identifying any  
9 item of information that is currently in dispute by  
10 the consumer if—

11 “(A) a consumer disputes the completeness  
12 or accuracy of any item of information con-  
13 tained in a consumer’s file pursuant to section  
14 611(a)(1);

15 “(B) a consumer files with a consumer re-  
16 porting agency an appeal of a reinvestigation  
17 pursuant to section 611(i); or

18 “(C) the consumer reporting agency is no-  
19 tified by a person that furnished any items of  
20 information that are currently in dispute by the  
21 consumer that—

22 “(i) a consumer disputes the com-  
23 pleteness or accuracy of any information  
24 furnished by a person to any consumer re-  
25 porting agency pursuant to paragraph (3)  
26 or (8) of section 623(a); or

1                   “(ii) a consumer submits a notice of  
2                   appeal under section 623(a)(10).

3                   “(2) OPT OUT.—A consumer may submit a re-  
4                   quest to a consumer reporting agency or a person  
5                   who furnished the information in dispute, as applica-  
6                   ble, to have the notation described in paragraph (1)  
7                   omitted from the consumer report. Upon receipt of  
8                   such a request—

9                   “(A) by a consumer reporting agency, such  
10                  agency shall remove the notation within 1 busi-  
11                  ness day; and

12                  “(B) by a person who furnished the infor-  
13                  mation in dispute, such person shall submit  
14                  such request to each consumer reporting agency  
15                  to which the person furnished such information  
16                  within 1 business day and such agency shall re-  
17                  move the notation within 1 business day of re-  
18                  ceipt of such request.”.

19 **SEC. 108. ACCURACY AND COMPLETENESS REPORT DUTIES**  
20                                   **FOR CONSUMER REPORTING AGENCIES AND**  
21                                   **FURNISHERS.**

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

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

1           “(1) IN GENERAL.—In preparing a consumer  
2 report, a consumer reporting agency shall maintain  
3 reasonable procedures to ensure maximum possible  
4 accuracy and completeness of the information con-  
5 cerning the individual to whom the consumer report  
6 relates.

7           “(2) BUREAU RULE TO ASSURE MAXIMUM POS-  
8 SIBLE ACCURACY AND COMPLETENESS WITH CREDIT  
9 REPORTING PRACTICES.—

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

14           “(B) REQUIREMENTS.—In formulating the  
15 rule required under subparagraph (A), the Bu-  
16 reau shall—

17           “(i) develop standards for matching  
18 the personally identifiable information in-  
19 cluded in the consumer’s file with the per-  
20 sonally identifiable information furnished  
21 by the person who provided the informa-  
22 tion to the consumer reporting agency  
23 (hereafter in this subsection referred to as  
24 the ‘furnisher’), including the full name of  
25 a consumer, the date of birth of a con-

1 consumer, the full social security number of a  
2 consumer, and any other information that  
3 the Bureau determines would aid in assur-  
4 ing maximum possible accuracy and com-  
5 pleteness of such consumer reports;

6 “(ii) establish processes for a con-  
7 sumer reporting agency to monitor the in-  
8 tegrity of the data provided by furnishers  
9 and the compliance of furnishers with the  
10 requirements of this title;

11 “(iii) establish processes for a con-  
12 sumer reporting agency to regularly rec-  
13 oncile data relating to accounts in collec-  
14 tion, including those that have not been  
15 paid in full, by specifying the cir-  
16 cumstances under which the consumer re-  
17 porting agency shall remove or suppress  
18 negative or adverse information from a  
19 consumer’s file that has not been updated  
20 by a furnisher who is also a debt collector  
21 (as defined in section 803 of the Fair Debt  
22 Collection Practices Act) within the time  
23 period established by the Bureau;

24 “(iv) establish procedures to require  
25 each consumer reporting agency to review

1 and monitor the quality of information re-  
2 ceived from any source, including informa-  
3 tion from public records, by regularly and  
4 on an ongoing basis comparing the infor-  
5 mation received to the information avail-  
6 able from the original source and ensuring  
7 that the information received is the most  
8 current information;

9 “(v) develop standards and procedures  
10 for consumer reporting agencies to identify  
11 furnishers that repeatedly fail to provide  
12 accurate and complete information, to take  
13 corrective action against such furnishers,  
14 and to reject information submitted by  
15 such furnishers;

16 “(vi) develop standards and proce-  
17 dures for consumer reporting agencies to  
18 adopt regarding collection of public record  
19 data, including standards and procedures  
20 to consider the ultimate data source, how  
21 the public record information is filed and  
22 its availability and accessibility, and wheth-  
23 er information relating to the satisfaction  
24 of judgments or other updates to the pub-



1           lic record are available on a reasonably  
2           timely basis from a particular source; and

3           “(vii) establish any other factors, pro-  
4           cedures, or processes determined by the  
5           Bureau to be necessary to assist consumer  
6           reporting agencies in achieving maximum  
7           possible accuracy and completeness of the  
8           information in consumer reports.

9           “(3) CORRECTIVE ACTION FOR FURNISHERS  
10          THAT REPEATEDLY FURNISH INACCURATE OR IN-  
11          COMPLETE INFORMATION.—Upon identifying a fur-  
12          nisher that repeatedly fails to furnish accurate, com-  
13          plete, or verifiable information to consumer report-  
14          ing agencies, the Bureau shall—

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

18                 “(B) take corrective action, which may in-  
19                 clude—

20                         “(i) mandatory revised training and  
21                         training materials for the staff of the fur-  
22                         nisher regarding the furnishing of accurate  
23                         and complete information;

1 “(ii) sharing industry best practices  
2 and procedures regarding accuracy and  
3 completeness; or

4 “(iii) temporarily prohibiting a fur-  
5 nisher from providing information to a  
6 consumer reporting agency.”.

7 **SEC. 109. INCLUSION OF PUBLIC RECORD DATA SOURCES**  
8 **IN CONSUMER REPORTS.**

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

12 “(3) PUBLIC RECORD DATA SOURCE.—Any con-  
13 sumer reporting agency that furnishes a consumer  
14 report that contains public record data shall also in-  
15 clude in such report the source from which that data  
16 was obtained, including the particular court, if any,  
17 and the date that the data was initially reported or  
18 publicized.”.

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

20 (a) IN GENERAL.—The Fair Credit Reporting Act  
21 (15 U.S.C. 1681 et seq.) is amended—

22 (1) in section 616—

23 (A) in subsection (a), by amending the  
24 subsection heading to read as follows: “DAM-  
25 AGES”;

1 (B) by redesignating subsections (c) and  
2 (d) as subsections (d) and (e), respectively; and  
3 (C) by inserting after subsection (b) the  
4 following new subsection:

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

14 (2) in section 617—

15 (A) in subsection (a), by amending the  
16 subsection heading to read as follows: “DAM-  
17 AGES”;

18 (B) by redesignating subsection (b) as sub-  
19 section (c); and

20 (C) by inserting after subsection (a) the  
21 following new subsection:

22 “(b) INJUNCTIVE RELIEF.—In addition to any other  
23 remedy set forth in this section, a court may award injunc-  
24 tive relief to require compliance with the requirements im-  
25 posed under this title with respect to any consumer. In

1 the event of any successful action for injunctive relief  
2 under this subsection, the court may award to the pre-  
3 vailing party costs and reasonable attorney fees (as deter-  
4 mined by the court) incurred during the action by such  
5 party.”.

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

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

12 (2) by inserting “negligent, willful, or” before  
13 “knowing”.

## 14 **TITLE II—FREE CREDIT SCORES** 15 **FOR CONSUMERS**

### 16 **SEC. 201. DEFINITIONS.**

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

20 “(bb) CREDIT SCORE AND EDUCATIONAL CREDIT  
21 SCORE DEFINITIONS.—

22 “(1) CREDIT SCORE.—The term ‘credit score’  
23 means a numerical value or a categorization derived  
24 from a statistical tool or modeling system used by a  
25 person who makes or arranges a loan or extends

1 credit to predict the likelihood of certain credit be-  
2 haviors, including default, as determined by the Bu-  
3 reau.

4 “(2) EDUCATIONAL CREDIT SCORE.—The term  
5 ‘educational credit score’ means a numerical value or  
6 categorization derived from a statistical tool or mod-  
7 eling system based upon information from a con-  
8 sumer report that assists consumers in under-  
9 standing how a lender or creditor may view the con-  
10 sumer’s creditworthiness in deciding whether to  
11 make a loan or extend credit to that consumer.

12 “(3) KEY FACTORS.—The term ‘key factors’  
13 means any relevant elements or reasons affecting the  
14 credit score for the particular individual, listed in  
15 the order of importance based on the effect of each  
16 element or reason on the credit score or educational  
17 credit score.

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

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

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

1 (2) in section 615—

2 (A) by striking “as defined in section  
3 609(f)(2)(A)” each place that term appears;  
4 and

5 (B) in subsection (a)(2)(B), by striking  
6 “set forth in subparagraphs (B) through (E) of  
7 section 609(f)(1)” and inserting “with respect  
8 to a credit score described in section 609(f)(2),  
9 if available”.

10 **SEC. 202. CONSUMER INFORMATION ON CALCULATION OF**  
11 **SCORES.**

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

14 “(f) DISCLOSURE OF CREDIT SCORE AND EDU-  
15 CATIONAL CREDIT SCORE BY CONSUMER REPORTING  
16 AGENCIES.—

17 “(1) IN GENERAL.—Upon the request of a con-  
18 sumer for a credit score or educational credit score,  
19 a consumer reporting agency shall supply to the con-  
20 sumer a statement—

21 “(A) containing—

22 “(i) a current credit score at the time  
23 of the request generated using a commonly  
24 used credit scoring model to generate cred-

1 it scores, subject to regulations of the Bu-  
2 reau;

3 “(ii) an educational credit score at the  
4 time of the request, if it is not practicable  
5 to generate such a credit score, as deter-  
6 mined by the Bureau; or

7 “(iii) an explanation that the con-  
8 sumer’s file does not have sufficient infor-  
9 mation from which to generate such a  
10 credit score or educational credit score;  
11 and

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

14 “(i) the date on which the credit score  
15 was generated;

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

18 “(iii) the credit score itself.

19 “(2) REQUIREMENTS.—A statement provided  
20 under clause (i) or (ii) of paragraph (1)(A) shall in-  
21 clude—

22 “(A) a minimum of four key factors, if  
23 available, that adversely affected the credit  
24 score or educational credit score, except that if  
25 one of the key factors consists of the number of

1 enquiries made with respect to a consumer re-  
2 port, that factor shall be provided to the con-  
3 sumer in addition to the factors required by  
4 this subparagraph;

5 “(B) to the extent possible, specific actions  
6 a consumer could take with respect to each key  
7 factor listed in subparagraph (A) to improve  
8 the consumer’s credit score or educational cred-  
9 it score;

10 “(C) a minimum of four key factors, if  
11 available, that positively affected the credit  
12 score or educational credit score;

13 “(D) the range of possible credit scores or  
14 educational credit scores under the credit scor-  
15 ing model used;

16 “(E) the distribution of credit scores or  
17 educational credit scores among consumers who  
18 are scored under the same credit scoring model  
19 by the consumer reporting agency, and using  
20 the same scale as that of the score that is pro-  
21 vided to a creditor or consumers—

22 “(i) in the form of a bar graph con-  
23 taining a minimum of six bars that illus-  
24 trates the percentage of consumers with  
25 credit scores or educational credit scores



1 within the range of scores represented by  
2 each bar; or

3 “(ii) by another clear and readily un-  
4 derstandable graphical depiction, state-  
5 ment, or illustration comparing the con-  
6 sumer’s credit score or educational credit  
7 score to the scores of other consumers, as  
8 determined by the Bureau;

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

11 “(G) the name of the person that devel-  
12 oped the credit scoring model on which the  
13 credit score or educational credit score was  
14 based.

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

18 “(A) develop or disclose a credit score if  
19 the agency does not distribute credit scores  
20 used by a person who makes or arranges a loan  
21 or extends credit to predict the likelihood of  
22 certain credit behaviors; or

23 “(B) develop or disclose an educational  
24 credit score if the agency does not develop edu-  
25 cational credit scores that assist in under-

1 standing the general credit behavior of a con-  
2 sumer and predicting the future credit behavior  
3 of the consumer.

4 “(4) MAINTENANCE OF CREDIT SCORES.—

5 “(A) IN GENERAL.—All consumer report-  
6 ing agencies shall maintain in the consumer’s  
7 file credit scores relating to the consumer for a  
8 period of 2 years from the date on which such  
9 information is generated.

10 “(B) DISCLOSURE ONLY TO CON-  
11 SUMERS.—A past credit score maintained in a  
12 consumer’s file pursuant to subparagraph (A)  
13 may only be provided to the consumer to which  
14 the credit score relates and may not be included  
15 in a consumer report or used as a factor in gen-  
16 erating a credit score or educational credit  
17 score.

18 “(C) REMOVAL OF PAST CREDIT  
19 SCORES.—A past credit score maintained in a  
20 consumer’s file pursuant to subparagraph (A)  
21 shall be removed from the consumer’s file after  
22 the end of the 2-year period described under  
23 subparagraph (A).”.

1 **SEC. 203. DISCLOSURES RELATING TO CREDIT SCORES AND**  
2 **EDUCATIONAL CREDIT SCORES.**

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

7 “(5) WEBSITE DISCLAIMER.—A consumer re-  
8 porting agency that generates or provides credit  
9 scores or educational credit scores shall clearly and  
10 conspicuously display on the home page of the agen-  
11 cy’s Internet website, and as part of any application,  
12 solicitation, or marketing material or media pro-  
13 viding information related to a credit score or edu-  
14 cational credit score, the following notice, in boldface  
15 type of 18-point font or larger and in a text box  
16 with boldface outer borders:

17 **“CREDIT SCORE DISCLAIMER.**

18 “There is no “one” credit score. There are many  
19 scoring formulas derived from a wide variety of models  
20 available to a consumer and used by lenders and creditors.  
21 Different lenders and creditors use different scoring for-  
22 mulas to determine whether to extend credit or make a  
23 loan to you, and the terms of the credit or loan. An edu-  
24 cational credit score is not a credit score that a person  
25 who makes a loan or extends credit to you is likely to use.  
26 Educational credit scores are merely intended to be used

1 as an educational tool to help consumers understand how  
2 the information contained in a consumer report may affect  
3 the terms and conditions of a loan or extension of credit  
4 that may be available to a consumer. Lenders and credi-  
5 tors may also rely on information not contained in your  
6 consumer report and not reflected in the calculation of  
7 your credit score.’.

8 “(6) ADDITIONAL REQUIREMENTS FOR EDU-  
9 CATIONAL CREDIT SCORES.—

10 “(A) DISCLAIMER.—If an educational  
11 credit score is provided pursuant to paragraph  
12 (1), a consumer reporting agency shall clearly  
13 and conspicuously include in a prominent loca-  
14 tion on the statement, in boldface type of 18-  
15 point font or larger, and in a text box with  
16 boldface outer borders, the following notice:

17 “**EDUCATIONAL CREDIT SCORE DISCLAIMER.**

18 “‘The educational credit score provided to you is not  
19 a credit score that a lender or creditor is likely to use to  
20 make a loan or extend credit to you. There are many dif-  
21 ferent credit scores derived from a wide variety of models  
22 used by lenders and creditors. An educational credit score  
23 is merely an educational tool. It is intended to provide con-  
24 sumers with a basic understanding of how the information  
25 contained in a consumer report may affect the terms and

1 conditions of credit that are available. The credit scores  
2 you receive directly from different lenders and creditors  
3 may not be the same as an educational credit score. There  
4 are a number of reasons for this:

5           “(1) Each company may use a different for-  
6           mula for calculating credit scores and the differences  
7           in the formulas may lead to differences in your  
8           scores.

9           “(2) Companies may produce scores that give  
10          results on different scales.

11          “(3) Not all lenders or creditors report to  
12          every consumer reporting agency, and therefore the  
13          information contained in your consumer report that  
14          the consumer reporting agencies use to calculate  
15          your educational credit score may differ among  
16          agencies.’.

17                 “(B) PROHIBITION ON MISLEADING REP-  
18                 RESENTATIONS.—A consumer reporting agency  
19                 may not refer to an educational credit score as  
20                 a credit score in any application, solicitation,  
21                 marketing, or other informational materials or  
22                 media.

23                 “(7) MODIFICATION OF DISCLAIMERS.—The  
24                 Bureau may modify the content, format, and man-  
25                 ner of the disclaimers required under paragraphs (5)

1 and (6), if warranted, after conducting consumer  
2 testing or research.”.

3 **SEC. 204. FREE CREDIT SCORE DISCLOSURES AND CON-**  
4 **SUMER REPORTS.**

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

7 (1) in subsection (a)—

8 (A) in paragraph (1)—

9 (i) in subparagraph (A), by inserting  
10 after “section 609” the following: “(includ-  
11 ing the disclosure of a credit score or edu-  
12 cational credit score under subsection (f)  
13 of such section)”;

14 (ii) in subparagraph (C)—

15 (I) by striking “Commission”  
16 and inserting “Bureau”; and

17 (II) by inserting “, credit scores,  
18 and educational credit scores (as ap-  
19 plicable)” after “consumer reports”  
20 each place that term appears;

21 (B) in paragraph (2)—

22 (i) by striking “15 days” and insert-  
23 ing “3 business days”; and

1 (ii) by inserting “, credit score, or  
2 educational credit score” after “consumer  
3 report”;

4 (C) in paragraph (3), by inserting “, credit  
5 score, or educational credit score” after “con-  
6 sumer report”; and

7 (D) in paragraph (4), by inserting “, credit  
8 scores, or educational credit scores” after “con-  
9 sumer reports”;

10 (2) in subsection (b), by inserting “(including  
11 the disclosure of a credit score or educational credit  
12 score, as applicable, under subsection (f) of such sec-  
13 tion)” after the first instance of “section 609”;

14 (3) in subsection (c)—

15 (A) by inserting “(including the disclosure  
16 of a credit score or educational credit score  
17 under subsection (f) of such section)” after  
18 “pursuant to section 609”;

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

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

23 (D) by adding at the end the following new  
24 paragraphs:

1           “(4) has disputed information, or submitted an  
2           appeal of an investigation or reinvestigation of such  
3           information, under section 611 or 623, regardless of  
4           whether the consumer has already received a credit  
5           report, credit score, or educational credit score  
6           under section 611 or 623; or

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

12          (4) in subsection (d), by inserting “(including  
13          the disclosure of a credit score or educational credit  
14          score under subsection (f) of such section)” after  
15          “section 609”;

16          (5) in subsection (f)(1)—

17                 (A) by striking “reasonable charge” and  
18                 all that follows through “section 609” and in-  
19                 serting “reasonable charge on a consumer for  
20                 providing a consumer report to a consumer”;

21                 (B) by striking subparagraph (B);

22                 (C) by redesignating clauses (i) and (ii) as  
23                 subparagraphs (A) and (B), respectively (and  
24                 conforming the margins accordingly); and



1 (D) in subparagraph (B) (as so redesignated), by striking “disclosure; and” and inserting “disclosure.”; and

2  
3  
4 (6) by adding at the end the following new subsections:

5  
6 “(h) CENTRALIZED SOURCE FOR OBTAINING FREE  
7 COPY OF CONSUMER REPORT AND SCORES.—

8 “(1) NATIONWIDE CONSUMER REPORTING  
9 AGENCIES.—

10 “(A) IN GENERAL.—Not later than 180  
11 days after the date of enactment of this subsection, each consumer reporting agency described under subsection (p) of section 603 shall prominently display on the home page of  
12  
13  
14  
15 the agency’s website—

16 “(i) a hyperlink labeled ‘Get Your  
17 Free Annual Credit Reports along with either your Credit Scores or Educational  
18 Credit Scores provided for under Federal  
19 Law’ or substantially similar text, as determined by the Bureau; and

20  
21  
22 “(ii) a disclosure titled ‘Consumer’s  
23 Right to Free Credit Scores, Educational  
24 Credit Scores, and Reports under Federal  
25 Law’ or substantially similar text, as deter-

1                   mined by the Bureau that includes the fol-  
2                   lowing statement:

3            ““All consumers are entitled to obtain a free copy of  
4 their consumer report and credit score or educational cred-  
5 it score annually from each of the nationwide consumer  
6 reporting agencies. Under Federal law, a consumer is enti-  
7 tled to obtain additional free copies of their consumer re-  
8 ports, along with a copy of either the consumer’s credit  
9 score or educational credit score (under certain cir-  
10 cumstances), including:

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

13                   “(2) When a consumer is a recipient of public  
14 welfare assistance.

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

18                   “(4) When a consumer asserts in good faith a  
19 suspicion that the consumer has been or is about to  
20 become a victim of identity theft, fraud, or a related  
21 crime, or harmed by the unauthorized disclosure of  
22 the consumer’s financial or personally identifiable in-  
23 formation.

24                   “(5) When a consumer files a dispute or an  
25 appeal of the results of a dispute with a consumer

1 reporting agency or a person who furnished informa-  
2 tion to the consumer reporting agency regarding the  
3 accuracy or completeness of the information con-  
4 tained on their report.

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

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

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

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

24 ““(C) MODIFICATIONS.—The Bureau may  
25 modify the disclosure described in subparagraph

1 (A)(ii) as necessary to include other cir-  
2 cumstances under which a consumer has the  
3 right to receive a free consumer report, credit  
4 score, or educational credit score.

5 “(2) NATIONWIDE SPECIALTY CONSUMER RE-  
6 PORTING AGENCIES.—

7 “(A) IN GENERAL.—Not later than 180  
8 days after the date of enactment of this sub-  
9 section, each nationwide specialty consumer re-  
10 porting agency shall prominently display on the  
11 Internet home webpage of the agency a disclo-  
12 sure titled ‘Consumer’s Right to Free Con-  
13 sumer Reports and Credit Score or Educational  
14 Credit Score (as applicable) under Federal  
15 Law’. Such disclosure shall include the fol-  
16 lowing statement:

17 “‘Upon request, all consumers are entitled to obtain  
18 a free copy of their consumer report and credit score or  
19 educational credit score (as applicable) during any 12-  
20 month period from each of the nationwide specialty con-  
21 sumer reporting agencies. Federal law also provides fur-  
22 ther circumstances under which a consumer is entitled to  
23 obtain additional free copies of their consumer report and  
24 credit score or educational credit score (as applicable) in-  
25 cluding:

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

3           “(2) When a consumer is a recipient of public  
4 welfare assistance.

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

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

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

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

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

1           “(B) MODIFICATIONS.—The Bureau may  
2           modify the disclosure described in subparagraph  
3           (A) as necessary to include other circumstances  
4           under which a consumer has the right to receive  
5           a free consumer report and credit score or edu-  
6           cational credit score (as applicable).

7           “(C) TOLL-FREE TELEPHONE ACCESS.—  
8           The information described in this paragraph  
9           shall also be made available via a toll-free tele-  
10          phone number. Such number shall be promi-  
11          nently displayed on the home page of the  
12          website of each nationwide specialty consumer  
13          reporting agency. Each of the circumstances  
14          under which a consumer may obtain a free con-  
15          sumer report and credit score or educational  
16          credit score (as applicable) shall be presented in  
17          an easily understandable format and consumers  
18          shall be directed to an individual who is a cus-  
19          tomer service representative not later than 2  
20          minutes after the initial phone connection is  
21          made by the consumer. Information provided  
22          through such telephone number shall comply  
23          with the requirements of section 633.

24          “(D) ONLINE CONSUMER REPORTS; EX-  
25          EMPTION.—Upon receipt of a request by a con-

1           sumer for a consumer report, each nationwide  
2           specialty consumer reporting agency shall pro-  
3           vide access to such report electronically on the  
4           Internet website described in section 611(h).

5           “(i) **AUTOMATIC PROVISION OF FREE CONSUMER**  
6 **REPORTS AND CREDIT SCORES OR EDUCATIONAL CREDIT**  
7 **SCORES.**—A consumer reporting agency shall provide to  
8 a consumer a free copy of the file and credit score or edu-  
9 cational credit score of the consumer who—

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

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

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

20 **SEC. 205. PROVISION OF CONSUMER REPORTS AND CREDIT**  
21 **SCORES BY PRIVATE EDUCATIONAL LEND-**  
22 **ERS.**

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

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

3           “(1) IN GENERAL.—If a private educational  
4 lender obtains a copy of any consumer reports or  
5 credit scores and uses such reports or scores in con-  
6 nection with an application of a consumer for a pri-  
7 vate education loan, the private educational lender  
8 shall provide to the consumer, not later than 3 busi-  
9 ness days after obtaining such reports or scores and  
10 before the date on which the consumer enters into  
11 a loan agreement with the private educational lend-  
12 er, a copy of any such reports or scores, along with  
13 the statement described under subsection (f)(2).

14           “(2) COSTS.—None of the costs to the private  
15 educational lender associated with procuring con-  
16 sumer reports or credit scores under this subsection  
17 may be charged, directly or indirectly, to the con-  
18 sumer.

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

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

8 “(i) DISCLOSURE OF CONSUMER REPORTS AND  
9 CREDIT SCORES USED BY MOTOR VEHICLE LENDERS OR  
10 INDIRECT AUTO LENDERS.—

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

24 “(2) COSTS.—None of the costs to the motor  
25 vehicle lender or indirect auto lender associated with  
26 procuring consumer reports or credit scores under

1       this subsection may be charged, directly or indi-  
2       rectly, to the consumer.

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

10          “(4) DEFINITIONS.—

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

18           “(B) MOTOR VEHICLE LENDER.—The  
19       term ‘motor vehicle lender’ has the meaning  
20       given the term by the Board of Governors of  
21       the Federal Reserve System, and shall include  
22       a person extending a loan made with respect to  
23       a car, boat, motorcycle, recreational vehicle, or  
24       other similar vehicle used primarily for personal  
25       or household purposes.”.

1 **SEC. 207. PROVISION OF CONSUMER REPORTS AND CREDIT**  
2 **SCORES BY RESIDENTIAL MORTGAGE LEND-**  
3 **ERS.**

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

6 (1) by redesignating paragraph (2) as para-  
7 graph (5);

8 (2) in paragraph (1)—

9 (A) by striking “a consumer credit score”  
10 and inserting “any consumer reports or credit  
11 scores”;

12 (B) by striking “, as defined in subsection  
13 (f),”;

14 (C) by striking “the following to the con-  
15 sumer as soon as reasonably practicable:” and  
16 inserting “, not later than 3 business days after  
17 using such reports or scores, a document dis-  
18 closing any consumer reports and credit scores  
19 used by the lender to determine whether to ex-  
20 tend credit to the consumer along with the  
21 statement described in subsection (f)(2).”;

22 (D) by striking subparagraphs (A), (B),  
23 (C), (E), and (F);

24 (E) by redesignating subparagraph (D) as  
25 paragraph (3) (and adjusting the margins ac-  
26 cordingly); and

1 (F) by redesignating subparagraph (G) as  
2 paragraph (4) (and adjusting the margins ac-  
3 cordingly);

4 (3) by inserting before paragraph (3) (as so  
5 designated) the following new paragraph:

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

12 (4) in paragraph (3) (as so designated), in the  
13 quoted material—

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

16 (B) by striking “affecting your credit  
17 scores” and inserting “affecting your credit  
18 score or scores”;

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

22 (6) by adding at the end the following new  
23 paragraphs:

24 “(6) ACTIONS NOT REQUIRED.—This subsection  
25 shall not require any person to disclose any credit

1 score or related information obtained by the person  
2 after a loan has closed.

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

8 **TITLE III—STUDENT BORROWER**  
9 **CREDIT IMPROVEMENT ACT**

10 **SEC. 301. REMOVAL OF ADVERSE INFORMATION FOR CER-**  
11 **TAIN PRIVATE EDUCATION LOAN BOR-**  
12 **ROWERS.**

13 (a) IN GENERAL.—The Fair Credit Reporting Act  
14 (15 U.S.C. 1681 et seq.), as amended by section 405, is  
15 further amended by inserting after section 605D the fol-  
16 lowing new section:

17 **“§ 605E. Credit rehabilitation for distressed private**  
18 **education loan borrowers**

19 “(a) IN GENERAL.—A consumer reporting agency  
20 may not furnish any consumer report containing any ad-  
21 verse item of information relating to a delinquent or de-  
22 faulted private education loan of a borrower if the bor-  
23 rower has rehabilitated the borrower’s credit with respect  
24 to such loan by making nine on-time monthly payments  
25 (in accordance with the terms and conditions of the bor-

1 borrower's original loan agreement or any other repayment  
2 agreement that antedates the original agreement) during  
3 a period of 10 consecutive months on such loan after the  
4 date on which the delinquency or default occurred.

5       “(b) INTERRUPTION OF 10-MONTH PERIOD FOR  
6 CERTAIN CONSUMERS.—

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

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

24               “(B) With respect to a borrower who re-  
25 sides or works in an area affected by a major

1 disaster or emergency declared under the Rob-  
2 ert T. Stafford Disaster Relief and Emergency  
3 Assistance Act, the grace period shall begin on  
4 the initial date of the incident period of the  
5 major disaster or emergency and end on the  
6 date that is the earlier of—

7 “(i) 6 months after the date on which  
8 the major disaster or emergency was de-  
9 clared; and

10 “(ii) the later of—

11 “(I) 3 months after the date on  
12 which the major disaster or emer-  
13 gency was declared; and

14 “(II) the date that the Director  
15 of the Bureau, in consultation with  
16 the Administrator of the Federal  
17 Emergency Management Agency, de-  
18 termines is the date on which substan-  
19 tially all provision of assistance by the  
20 Federal Emergency Management  
21 Agency under such major disaster or  
22 emergency declaration has concluded.

23 “(2) OTHER CIRCUMSTANCES.—

24 “(A) IN GENERAL.—The Bureau may  
25 allow a borrower demonstrating hardship to

1 stop making consecutive monthly payments and  
2 be granted a grace period after which the 10-  
3 month period described in subsection (a) shall  
4 resume.

5 “(B) BORROWER DEMONSTRATING HARD-  
6 SHIP DEFINED.—In this paragraph, the term  
7 ‘borrower demonstrating hardship’ means a  
8 borrower or a class of borrowers who, as deter-  
9 mined by the Bureau, is facing or has experi-  
10 enced unusual extenuating life circumstances or  
11 events that result in severe financial or personal  
12 barriers, including homelessness (as defined by  
13 the Secretary of Housing and Urban Develop-  
14 ment), such that the borrower or class of bor-  
15 rowers does not have the capacity to comply  
16 with the requirements of subsection (a).

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

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

22 “(2) the method for validating that the bor-  
23 rower is satisfying the requirements of subsection  
24 (a);



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

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

5           “(B) the requirements described in sub-  
6           section (d); and

7           “(C) the restrictions described in sub-  
8           section (f);

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

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

13          “(B) the requirements described in sub-  
14          section (d);

15          “(5) the method for verifying whether a bor-  
16          rower qualifies for the grace period described in sub-  
17          section (b);

18          “(6) the manner, content, and form of notifying  
19          a consumer reporting agency and private educational  
20          loan holder that a borrower was granted a grace pe-  
21          riod.

22          “(d) STANDARDIZED REPORTING CODES.—A con-  
23          sumer reporting agency shall develop standardized report-  
24          ing codes for use by any private educational loan holder  
25          to identify and report a borrower’s status of making and

1 completing nine on-time monthly payments during a pe-  
2 riod of 10 consecutive months on a delinquent or defaulted  
3 private education loan, including codes specifying the  
4 grace period described in subsection (b) and any agree-  
5 ment to modify monthly payments. Such codes shall not  
6 appear on any report provided to a third party, and shall  
7 be removed from the consumer's credit report upon the  
8 consumer's completion of the rehabilitation period under  
9 this section as soon as possible, but in no case later than  
10 5 days after such completion.

11       “(e) ELIMINATION OF BARRIERS TO CREDIT REHA-  
12 BILITATION.—A consumer report in which a private edu-  
13 cational loan holder furnishes the standardized reporting  
14 codes described in subsection (d) to a consumer reporting  
15 agency, or in which a consumer reporting agency includes  
16 such codes, shall be deemed to comply with the require-  
17 ments for accuracy and completeness under sections  
18 607(b), 623(a)(1), and 632.

19       “(f) PROHIBITION ON CIVIL ACTIONS FOR CON-  
20 SUMERS PURSUING REHABILITATION.—A private edu-  
21 cational loan holder may not commence or proceed with  
22 any civil action against a borrower with respect to a delin-  
23 quent or defaulted loan during the period of rehabilitation  
24 if the private educational loan holder has been notified,

1 in accordance with the procedures established by the Bu-  
2 reau pursuant to subsection (c)—

3 “(1) of such borrower’s intent to participate in  
4 rehabilitation;

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

7 “(3) that such borrower was granted a grace  
8 period.

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

16 “(h) PAYMENT PLANS.—If a private educational loan  
17 holder enters into a payment plan with a borrower on a  
18 private education loan during a period of rehabilitation,  
19 such payment plan shall be reasonable and affordable, as  
20 determined by the Bureau.

21 “(i) RULES OF CONSTRUCTION.—

22 “(1) APPLICATION TO SUBSEQUENT DEFAULT  
23 OR DELINQUENCY.—A borrower who satisfies the re-  
24 quirements under subsection (a) shall be eligible for  
25 additional credit rehabilitation described in sub-

1 section (a) with respect to any subsequent default or  
2 delinquency of the borrower on the rehabilitated pri-  
3 vate education loan.

4 “(2) INTERRUPTION OF CONSECUTIVE PAY-  
5 MENT PERIOD REQUIREMENT.—The grace period de-  
6 scribed in subsection (b)(1)(A) shall not apply if any  
7 regulation promulgated under section 987 of title  
8 10, United States Code (commonly known as the  
9 Military Lending Act), or the Servicemembers Civil  
10 Relief Act (50 U.S.C. App. 501 et seq.) allows for  
11 a grace period or other interruption of the 10-month  
12 period described in subsection (a) and such grace pe-  
13 riod or other interruption is longer than the period  
14 described in subsection (b)(1)(A) or otherwise pro-  
15 vides greater protection or benefit to the borrower  
16 who is a member of the Armed Forces.”

17 (b) TABLE OF CONTENTS AMENDMENT.—The table  
18 of contents of the Fair Credit Reporting Act, as amended  
19 by section 405, is further amended by inserting after the  
20 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.”

21 (c) CONFORMING AMENDMENT.—Section 623(a)(1)  
22 of the Fair Credit Reporting Act (15 U.S.C. 1681s-  
23 2(a)(1)) is amended by striking subparagraph (E).

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

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

6 “(cc) PRIVATE EDUCATION LOAN DEFINITIONS.—  
7 The terms ‘private education loan’ and ‘private edu-  
8 cational lender’ have the meanings given such terms, re-  
9 spectively, in section 140(a) of the Truth in Lending  
10 Act.”.

11 **TITLE IV—CREDIT RESTORA-**  
12 **TION FOR VICTIMS OF PRED-**  
13 **ATORY ACTIVITIES AND UN-**  
14 **FAIR CONSUMER REPORTING**  
15 **PRACTICES**

16 **SEC. 401. ADVERSE CREDIT INFORMATION.**

17 (a) IN GENERAL.—Section 605 of the Fair Credit  
18 Reporting Act (15 U.S.C. 1681e), as amended by sections  
19 107, 109, and 201, is further amended—

20 (1) in subsection (a)—

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

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

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

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

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

8 (F) in paragraph (5)—

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

11 (ii) by striking “seven years” and in-  
12 serting “4 years”; and

13 (G) by adding at the end the following new  
14 paragraphs:

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

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

21 “(A) brought by a private education loan  
22 holder that, from the date of successful comple-  
23 tion of credit restoration or rehabilitation in ac-  
24 cordance with the requirements of section 605D

1 or 605E, antedates the report by 45 calendar  
2 days; or

3 “(B) brought by a lender with respect to  
4 a covered residential mortgage loan (as defined  
5 in section 605C(b)) that antedates the report  
6 by 45 calendar days.

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

9 “(12) Any other adverse item of information re-  
10 lating to the collection of debt that did not arise  
11 from a contract or an agreement to pay by a con-  
12 sumer, including fines, tickets, and other assess-  
13 ments, as determined by the Bureau, excluding tax  
14 liability.”;

15 (2) by striking subsection (b) and redesignating  
16 subsections (c) through (h) as subsections (b)  
17 through (g), respectively; and

18 (3) in subsection (b) (as so redesignated), by  
19 striking “7-year period referred to in paragraphs (4)  
20 and (6)” and inserting “4-year period referred to in  
21 paragraphs (4) and (5)”.

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

24 (1) in section 616(e) (as redesignated by sec-  
25 tion 110(a)(1)(B)), by striking “section 605(g)”

1 each place that term appears and inserting “section  
2 605(f)”;

3 (2) in section 625(b)(5)(A), by striking “section  
4 605(g)” and inserting “section 605(f)”.

5 (c) PROHIBITION ON INCLUSION OF ARREST INFOR-  
6 MATION IF THERE IS NO CONVICTION.—Section 605(a)  
7 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),  
8 as amended by section 809, is further amended by adding  
9 at the end the following:

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

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

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

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



1 **SEC. 403. MEDICAL DEBT COLLECTIONS.**

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

7 “(14) Any other adverse item of information re-  
8 lated to a fully paid or settled debt arising from the  
9 receipt of medical services, products, or devices that  
10 had been characterized as delinquent, charged off, or  
11 in collection which, from the date of payment or set-  
12 tlement, antedates the report by more than 45 cal-  
13 endar days.”.

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

20 “(15) Any information related to a debt arising  
21 from the receipt of medical services, products, or de-  
22 vices, if the date on which such debt was placed for  
23 collection, charged to profit or loss, or subjected to  
24 any similar action antedates the report by less than  
25 365 calendar days.”.

1 (c) PROHIBITION ON REPORTING MEDICALLY NEC-  
2 ESSARY PROCEDURES.—Section 605(a) of the Fair Credit  
3 Reporting Act (15 U.S.C. 1681e(a)), as amended by sub-  
4 section (b), is further amended by adding at the end the  
5 following new paragraph:

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

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

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

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

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

22 (e) TECHNICAL AMENDMENT.—Section 604(g)(1)(C)  
23 of the Fair Credit Reporting Act (15 U.S.C.  
24 1681b(g)(1)(C)) is further amended by striking “devises”  
25 and inserting “devices”.

1 **SEC. 404. CREDIT RESTORATION FOR VICTIMS OF PREDATORY**  
2 **MORTGAGE LENDING AND SERVICING.**

3 (a) IN GENERAL.—The Fair Credit Reporting Act  
4 (15 U.S.C. 1681 et seq.) is amended by inserting after  
5 section 605B the following new section:

6 **“§ 605C. Credit restoration for victims of predatory**  
7 **mortgage lending**

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

16 “(1) resulted from an unfair, deceptive, or abu-  
17 sive act or practice, or a fraudulent, discriminatory,  
18 or illegal activity of a financial institution, as deter-  
19 mined by the Bureau or a court of competent juris-  
20 diction; or

21 “(2) is related to an unfair, deceptive, or abu-  
22 sive act, practice, or a fraudulent, discriminatory, or  
23 illegal activity of a financial institution that is the  
24 subject of a settlement agreement initiated on behalf  
25 of a consumer or consumers and that is between the  
26 financial institution and an agency or department of

1 a local, State, or Federal Government, regardless of  
2 whether such settlement includes an admission of  
3 wrongdoing.

4 “(b) COVERED RESIDENTIAL MORTGAGE LOAN DE-  
5 FINED.—In this section, the term ‘covered residential  
6 mortgage loan’ means any loan primarily for personal,  
7 family, or household use that is secured by a mortgage,  
8 deed of trust, or other equivalent consensual security in-  
9 terest on a dwelling (as defined in section 103(w) of the  
10 Truth in Lending Act), including a loan in which the pro-  
11 ceeds will be used for—

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

15 “(2) any installment sales contract, land con-  
16 tract, or contract for deed on a residential property;  
17 or

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

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

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

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

4 **SEC. 405. CREDIT RESTORATION FOR CERTAIN PRIVATE**  
5 **EDUCATION LOANS BORROWERS.**

6 (a) IN GENERAL.—The Fair Credit Reporting Act  
7 (15 U.S.C. 1681 et seq.), as amended by section 404, is  
8 further amended by inserting after section 605C the fol-  
9 lowing new section:

10 **“§ 605D. Credit restoration for certain private edu-**  
11 **cation loans borrowers**

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

14 “(1) IN GENERAL.—A consumer may submit a  
15 request to the Bureau, along with a defraudment  
16 claim, to be certified as a qualifying private edu-  
17 cation loan borrower with respect to a private edu-  
18 cation loan.

19 “(2) CERTIFICATION.—The Bureau shall certify  
20 a consumer described in paragraph (1) as a quali-  
21 fying private education loan borrower with respect to  
22 a private education loan if the Bureau or a court of  
23 competent jurisdiction determines that the consumer  
24 has a valid defraudment claim with respect to such  
25 loan.

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

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

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

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

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

22                   “(3) develop ongoing outreach initiatives and  
23 education programs to inform consumers of the cir-  
24 cumstances under which such consumer may be eli-  
25 gible to be certified as a qualifying private education

1 loan borrower with respect to a private education  
2 loan;

3 “(4) establish procedures, including the man-  
4 ner, form, and content of the notice informing a pri-  
5 vate educational loan holder of the prohibition on re-  
6 porting any adverse information relating to a private  
7 education loan with respect to which a consumer is  
8 a qualifying private education loan borrower; and

9 “(5) establish procedures, including the man-  
10 ner, form, and content of the notice informing a con-  
11 sumer reporting agency of the obligation to remove  
12 any adverse information as described in subsection  
13 (c).

14 “(e) STANDARDIZED REPORTING CODES.—A con-  
15 sumer reporting agency shall develop standardized report-  
16 ing codes for use by private education loan holders to iden-  
17 tify and report a qualifying private education loan bor-  
18 rower’s status of a request to remove any adverse informa-  
19 tion relating to any private education loan with respect  
20 to which such consumer is a qualifying private education  
21 loan borrower. A consumer report in which a person fur-  
22 nishes such codes shall be deemed to comply with the re-  
23 quirements for accuracy and completeness required under  
24 sections 607(b), 623(a)(1), and 632. 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 successful restoration of the consumer’s credit under this  
3 section.

4 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-  
5 poses of this section, the term ‘defraudment claim’ means  
6 a claim made with respect to a consumer who is a bor-  
7 rower of a private education loan with respect to a propri-  
8 etary educational institution or career education program  
9 in which the consumer alleges that—

10 “(1) the proprietary educational institution or  
11 career education program—

12 “(A) engaged in an unfair, deceptive, or  
13 abusive act or practice, or a fraudulent, dis-  
14 criminatory, or illegal activity—

15 “(i) as defined by State law of the  
16 State in which the proprietary educational  
17 institution or career education program is  
18 headquartered or maintains or maintained  
19 significant operations; or

20 “(ii) under Federal law;

21 “(B) is the subject of an enforcement  
22 order, a settlement agreement, a memorandum  
23 of understanding, a suspension of tuition assist-  
24 ance, or any other action relating to an unfair,  
25 deceptive, or abusive act or practice that is be-



1           tween the proprietary educational institution or  
2           career education program and an agency or de-  
3           partment of a local, State, or Federal Govern-  
4           ment; or

5           “(C) misrepresented facts to students or  
6           accrediting agencies or associations about grad-  
7           uation or gainful employment rates in recog-  
8           nized occupations or failed to provide the  
9           coursework necessary for students to success-  
10          fully obtain a professional certification or de-  
11          gree from the proprietary educational institu-  
12          tion or career education program; or

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

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

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

20          **SEC. 406. FINANCIAL ABUSE PREVENTION.**

21          (a) IN GENERAL.—The Fair Credit Reporting Act  
22          (15 U.S.C. 1681 et seq.), as amended by section 301, is  
23          further amended by inserting after section 605E the fol-  
24          lowing new section:

1 **“§ 605F. Financial abuse prevention**

2 “For a consumer who is the victim of intentionally  
3 abusive or harmful financial behavior, as determined by  
4 a court of competent jurisdiction including a family court,  
5 juvenile court, or other court with personal jurisdiction,  
6 that was conducted by a spouse, family or household mem-  
7 ber, caregiver, or person with whom such consumer had  
8 a dating relationship in a manner which resulted in the  
9 inclusion of an adverse item of information on the con-  
10 sumer report of the consumer, and the consumer did not  
11 participate in or consent to such behavior, the consumer  
12 may apply to a court of competent jurisdiction, including  
13 a family court, juvenile court, or other court with personal  
14 jurisdiction, for an order to require the removal of such  
15 adverse information from the consumer’s file maintained  
16 by any consumer reporting agency.”.

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

“605F. Financial abuse prevention.”.

21 **SEC. 407. PROHIBITION OF CERTAIN FACTORS RELATED TO**  
22 **FEDERAL CREDIT RESTORATION OR REHA-**  
23 **BILITATION.**

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

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

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

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

7 “(1) take into consideration, in a manner ad-  
8 verse to a consumer’s credit score or educational  
9 credit score, any information in a consumer report  
10 concerning the consumer’s participation in credit  
11 restoration or rehabilitation under section 605C,  
12 605D, or 605E; or

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

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

23 “(1) take into consideration, in a manner ad-  
24 verse to a consumer, any information in a consumer  
25 report concerning the consumer’s participation in

1 credit restoration or rehabilitation under section  
2 605C, 605D, or 605E; or

3 “(2) treat negatively the absence of payment  
4 history data for an existing account, whether the ac-  
5 count is open or closed, where the absence of such  
6 information is the result of a consumer’s participa-  
7 tion in credit restoration or rehabilitation under sec-  
8 tion 605C, 605D, or 605E.

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

18 “(d) PROHIBITION RELATED TO ADVERSE ACTIONS  
19 AND RISK-BASED PRICING DECISIONS.—No person shall  
20 use information related to a consumer’s participation in  
21 credit restoration or rehabilitation under section 605C,  
22 605D, or 605E in connection with any determination of—

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

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

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

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

“632. Prohibition of certain factors related to Federal credit restoration or reha-  
bilitation.”.

8           **TITLE V—CLARITY IN CREDIT**  
9           **SCORE FORMATION**

10       **SEC. 501. CONSUMER BUREAU STUDY AND REPORT TO**  
11               **CONGRESS ON THE IMPACT OF NON-TRADI-**  
12               **TIONAL DATA.**

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

22           (1) Consumers with no or minimal traditional  
23           credit history.

1           (2) Traditionally underserved communities and  
2           populations.

3           (3) Consumers residing in rural areas.

4           (4) Consumers residing in urban areas.

5           (5) Racial and ethnic minorities and women.

6           (6) Consumers across various income strata,  
7           particularly consumers earning less than 120 per-  
8           cent of the area median income (as defined by the  
9           Secretary of Housing and Urban Development).

10          (7) Immigrants, refugees, and non-permanent  
11          residents.

12          (8) Minority financial institutions (as defined  
13          under section 308(b) of the Financial Institutions  
14          Reform, Recovery, and Enforcement Act of 1989  
15          (12 U.S.C. 1463 note)) and community financial in-  
16          stitutions.

17          (9) Consumers residing in federally assisted  
18          housing, including consumers receiving Federal rent-  
19          al subsidies.

20          (b) **ADDITIONAL CONSIDERATIONS.**—In assessing  
21          impacts under subsection (a), the Bureau of Consumer Fi-  
22          nancial Protection shall also consider impacts on—

23                 (1) the privacy, security, and confidentiality of  
24                 the financial, medical, and personally identifiable in-  
25                 formation of consumers;

1           (2) the control of consumers over how such in-  
2           formation may or will be used or considered;

3           (3) the understanding of consumers of how  
4           such information may be used or considered and the  
5           ease with which a consumer may decide to restrict  
6           or prohibit such use or consideration of such infor-  
7           mation;

8           (4) potential discriminatory effects; and

9           (5) disparate outcomes the use or consideration  
10          of such information may cause.

11          (c) CONSIDERATION OF RECENT GOVERNMENT  
12          STUDIES.—In assessing impacts under subsection (a), the  
13          Bureau of Consumer Financial Protection shall also con-  
14          sider recent Government studies on alternative data, in-  
15          cluding—

16                (1) the report of the Bureau of Consumer Fi-  
17                nancial Protection titled “CFPB Data Point: Be-  
18                coming Credit Visible” (published June 2017); and

19                (2) the report of the Comptroller General of the  
20                United States titled “Financial Technology: Agen-  
21                cies Should Provide Clarification on Lenders’ Use of  
22                Alternative Data” (published December 2018).

23          (d) REPORT.—Not later than 1 year after the date  
24          of the enactment of this Act, the Bureau of Consumer Fi-  
25          nancial Protection shall issue a report to the Committee

1 on Financial Services of the House of Representatives and  
2 the Committee on Banking, Housing, and Urban Affairs  
3 of the Senate containing all findings and determinations,  
4 including any recommendations for any legislative or regu-  
5 latory changes, made in carrying out the study required  
6 under subsection (a).

7 (e) DEFINITIONS.—In this section:

8 (1) ALTERNATIVE MODELING TECHNIQUES.—

9 The term “alternative modeling techniques” means  
10 statistical and mathematical techniques that are not  
11 traditional modeling techniques, including decision  
12 trees, random forests, artificial neural networks,  
13 nearest neighbor, genetic programming, and boost-  
14 ing algorithms.

15 (2) CONSUMER REPORT.—The term “consumer  
16 report” has the meaning given such term in section  
17 603 of the Fair Credit Reporting Act (15 U.S.C.  
18 1681a).

19 (3) NON-TRADITIONAL DATA.—The term “non-  
20 traditional data” means data related to tele-  
21 communications, utility payments, rent payments,  
22 remittances, wire transfers, data not otherwise regu-  
23 larly included in consumer reports issued by con-  
24 sumer reporting agencies described under section



1       603(p), and such other items as the Bureau of Con-  
2       sumer Financial Protection deems appropriate.

3               (4) TRADITIONAL MODELING TECHNIQUES.—

4       The term “traditional modeling techniques” means  
5       statistical and mathematical techniques (including  
6       models, algorithms, linear and logistic regression  
7       methods, and their outputs) that are traditionally  
8       used in automated underwriting processes.

9       **SEC. 502. CONSUMER BUREAU OVERSIGHT OF CREDIT**  
10               **SCORING MODELS.**

11       The Fair Credit Reporting Act (15 U.S.C. 1681 et  
12       seq.), as amended by section 701, is further amended—

13               (1) by adding at the end the following new sec-  
14       tion:

15       **“§ 631. Credit scoring models**

16       “(a) VALIDATED CREDIT SCORING MODELS.—Not  
17       later than 1 year after the date of the enactment of this  
18       section, the Bureau shall (in consultation with the Board  
19       of Governors of the Federal Reserve System, the Comp-  
20       troller of the Currency, the Board of Directors of the Fed-  
21       eral Deposit Insurance Corporation, and the National  
22       Credit Union Administration Board) issue final regula-  
23       tions applicable to any person that creates, maintains, uti-  
24       lizes, or purchases credit scoring models used in making  
25       credit decisions to establish standards for validating the

1 accuracy and predictive value of all such credit scoring  
2 models, both before release for initial use and at regular  
3 intervals thereafter, for as long as such credit scoring  
4 models are made available for purchase or use by such  
5 person.

6 “(b) PROHIBITION.—At least once every 2 years, the  
7 Bureau shall conduct a review of credit scoring models to  
8 determine whether the use of any particular factors, or  
9 the weight or consideration given to certain factors by  
10 credit scoring models, is inappropriate, including if such  
11 factors do not enhance or contribute to the accuracy and  
12 predictive value of the models. Upon the conclusion of its  
13 review, the Bureau may prohibit a person described in  
14 subsection (a) from weighing, considering, or including  
15 certain factors in, or making available for purchase or use,  
16 certain credit scoring models or versions, as the Bureau  
17 determines appropriate.”; and

18 (2) in the table of contents for such Act, as  
19 amended by section 701, by adding after the item  
20 relating to section 630 the following new item:

“631. Credit scoring models.”.

21 **SEC. 503. REVIEW OF CHANGES TO CREDIT SCORING MOD-**  
22 **ELS.**

23 Section 631 of the Fair Credit Reporting Act (15  
24 U.S.C. 1681 et seq.), as added by section 502, is amended  
25 by adding at the end the following:

1       “(c) REVIEW OF CHANGES TO CREDIT SCORING  
2 MODELS.—With respect to a person that creates credit  
3 scoring models used in making credit decisions, if such  
4 person creates a new credit scoring model (including a re-  
5 vision to an existing scoring model) that would, when com-  
6 pared to previous credit scoring models created by such  
7 person, lower the credit scores of a class of consumers,  
8 the Director of the Bureau may review such new credit  
9 scoring model and, if the Director determines that such  
10 new credit scoring model is inappropriate (including, with  
11 respect to a revision to an existing scoring model, if such  
12 revision does not enhance or contribute to the accuracy  
13 and predictive value of the existing scoring model), the Di-  
14 rector may prohibit such new credit scoring model.”.

15 **TITLE VI—RESTRICTIONS ON**  
16 **CREDIT CHECKS FOR EM-**  
17 **PLOYMENT DECISIONS**

18 **SEC. 601. PROHIBITION ON THE USE OF CREDIT INFORMA-**  
19 **TION FOR MOST EMPLOYMENT DECISIONS.**

20       (a) IN GENERAL.—Section 604 of the Fair Credit  
21 Reporting Act (15 U.S.C. 1681b) is amended—

22           (1) in subsection (a)(3)(B), by inserting “, sub-  
23       ject to the requirements of subsection (b)” after  
24       “purposes”; and

25           (2) in subsection (b)—

1 (A) in paragraph (1)—

2 (i) by amending the paragraph head-  
3 ing to read as follows: “USE OF CON-  
4 SUMER REPORTS FOR EMPLOYMENT PUR-  
5 POSES”;

6 (ii) in subparagraph (A), by redesignig-  
7 nating clauses (i) and (ii) as subclauses (I)  
8 and (II), respectively (and conforming the  
9 margins accordingly);

10 (iii) by redesignating subparagraphs  
11 (A) and (B) as clauses (i) and (ii), respec-  
12 tively (and conforming the margins accord-  
13 ingly);

14 (iv) by striking the period at the end  
15 of clause (ii) (as so redesignated) and in-  
16 serting “; and”;

17 (v) by striking “agency may furnish”  
18 and inserting “agency—  
19 “(A) may furnish”; and

20 (vi) by adding at the end the following  
21 new subparagraph:

22 “(B) except as provided in paragraph (5),  
23 may not furnish a consumer report for employ-  
24 ment purposes, including for the purpose of de-  
25 nying employment, with respect to any con-

1 consumer in which any information contained in  
2 the report bears on the consumer's credit-  
3 worthiness, credit standing, or credit capacity.”;  
4 and

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

7 “(5) REQUIREMENTS FOR CONSUMER REPORTS  
8 BEARING ON THE CONSUMER’S CREDITWORTHINESS,  
9 CREDIT STANDING, OR CREDIT CAPACITY.—

10 “(A) IN GENERAL.—A person may use a  
11 consumer report for employment purposes with  
12 respect to any consumer in which any informa-  
13 tion contained in the report bears on the con-  
14 sumer’s creditworthiness, credit standing, or  
15 credit capacity only if—

16 “(i)(I) the person is required to obtain  
17 the report by a Federal, State, or local law  
18 or regulation;

19 “(II) the information contained in the  
20 report is being used with respect to a na-  
21 tional security investigation (as defined in  
22 paragraph (4)(D)); or

23 “(III) the report is necessary for a  
24 background check or related investigation

1 of financial information that is required by  
2 a Federal, State, or local law or regulation;

3 “(ii) none of the cost associated with  
4 obtaining the consumer report will be  
5 passed on to the consumer to whom the re-  
6 port relates; and

7 “(iii) the information contained in the  
8 consumer report will not be disclosed to  
9 any other person other than—

10 “(I) in an aggregate format that  
11 protects a consumer’s personally iden-  
12 tifiable information; or

13 “(II) as may be necessary to  
14 comply with any applicable Federal,  
15 State, or local equal employment op-  
16 portunity law or regulation.

17 “(B) DISCLOSURES.—A person who pro-  
18 cures, or causes to be procured, a consumer re-  
19 port described in subparagraph (A) for employ-  
20 ment purposes shall, in the disclosure made  
21 pursuant to paragraph (2), include—

22 “(i) an explanation that a consumer  
23 report is being obtained for employment  
24 purposes;

1                   “(ii) the reasons for obtaining such a  
2                   report; and

3                   “(iii) the citation to the applicable  
4                   Federal, State, or local law or regulation  
5                   described in subparagraph (A)(i)(I).

6                   “(C) ADVERSE ACTIONS.—In using a con-  
7                   sumer report described in subparagraph (A) for  
8                   employment purposes and before taking an ad-  
9                   verse action based in whole or in part on the re-  
10                  port, the person intending to take such adverse  
11                  action shall, in addition to the information de-  
12                  scribed in paragraph (3), provide to the con-  
13                  sumer to whom the report relates—

14                  “(i) the name, address, and telephone  
15                  number of the consumer reporting agency  
16                  that furnished the report (including, for a  
17                  consumer reporting agency that compiles  
18                  and maintains files on consumers on a na-  
19                  tionwide basis, a toll-free telephone number  
20                  established by such agency);

21                  “(ii) the date on which the report was  
22                  furnished; and

23                  “(iii) the specific factors from the re-  
24                  port upon which the adverse action (as de-

1            fined in section 603(k)(1)(B)(ii) was  
2            based.

3            “(D) NATIONAL SECURITY INVESTIGA-  
4            TIONS.—The requirements of paragraph (4)  
5            shall apply to a consumer report described  
6            under subparagraph (A).

7            “(E) NON-CIRCUMVENTION.—With respect  
8            to a consumer report in which any information  
9            contained in the report bears on the consumer’s  
10           creditworthiness, credit standing, or credit ca-  
11           pacity, if a person is prohibited from using the  
12           consumer report pursuant to subparagraph (A),  
13           such person may not, directly or indirectly, ei-  
14           ther orally or in writing, require, request, sug-  
15           gest, or cause any employee or prospective em-  
16           ployee to submit such information to the person  
17           as a condition of employment.

18           “(F) NON-WAIVER.—A consumer may not  
19           waive the requirements of this paragraph with  
20           respect to a consumer report.

21           “(6) RULE OF CONSTRUCTION.—Nothing in  
22           this subsection shall be construed to require a con-  
23           sumer reporting agency to prevent a Federal, State,  
24           or local law enforcement agency from accessing in-



1 formation in a consumer report to which the law en-  
2 forcement agency could otherwise obtain access.”.

3 (b) TECHNICAL AMENDMENT.—The Fair Credit Re-  
4 porting Act (15 U.S.C. 1681 et seq.) is amended by strik-  
5 ing “section 604(b)(4)(E)(i)” each place such term ap-  
6 pears and inserting “section 604(b)(4)(D)(i)”.

7 (c) RULE OF CONSTRUCTION.—The amendments  
8 made by this Act may not be construed as limiting the  
9 ability of a person to use non-financial or non-credit re-  
10 lated consumer report information.

11 **TITLE VII—PROHIBITION ON**  
12 **MISLEADING AND UNFAIR**  
13 **CONSUMER REPORTING**  
14 **PRACTICES**

15 **SEC. 701. PROHIBITION ON AUTOMATIC RENEWALS FOR**  
16 **PROMOTIONAL CONSUMER REPORTING AND**  
17 **CREDIT SCORING PRODUCTS AND SERVICES.**

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

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

22 **“§ 630. Promotional periods**

23 “(a) TERMINATION NOTICE.—With respect to any  
24 product or service related to a consumer report or a credit  
25 score that is provided to a consumer under promotional

1 terms, the seller or provider of such product or service  
2 shall provide clear and conspicuous notice to the consumer  
3 within a reasonable period of time before the promotional  
4 period ends.

5 “(b) OPT-IN.—With respect to any such product or  
6 service, the seller or provider may not continue to sell or  
7 provide such product or service to the consumer after the  
8 end of the promotional period unless the consumer specifi-  
9 cally agrees at the end of the promotional period to con-  
10 tinue receiving the product or service.”; and

11 (2) in the table of contents for such Act, by in-  
12 serting after the item relating to section 629 the fol-  
13 lowing new item:

“630. Promotional periods.”.

14 **SEC. 702. PROHIBITION ON MISLEADING AND DECEPTIVE**  
15 **MARKETING RELATED TO THE PROVISION OF**  
16 **CONSUMER REPORTING AND CREDIT SCOR-**  
17 **ING PRODUCTS AND SERVICES.**

18 Section 609 of the Fair Credit Reporting Act (15  
19 U.S.C. 1681g), as amended by section 206, is further  
20 amended—

21 (1) in subsection (a)—

22 (A) in paragraph (1)—

23 (i) by striking “request, except” and  
24 all that follows through “consumer to

1           whom” and inserting “request, unless the  
2           consumer to whom”;

3                   (ii) by striking “disclosure; and” and  
4           inserting “disclosure.”; and

5                   (iii) by striking subparagraph (B);  
6           and

7                   (B) in paragraph (6), by inserting “or edu-  
8           cational credit score (if applicable) under sub-  
9           section (f) or section 612” before the period at  
10          the end; and

11          (2) by adding at the end the following new sub-  
12          section:

13          “(j) DISCLOSURES ON PRODUCTS AND SERVICES.—

14          The Bureau, in consultation with the Federal Trade Com-  
15          mission, shall issue regulations within 18 months of the  
16          date of the enactment of this subsection requiring each  
17          consumer reporting agency and reseller to clearly and con-  
18          spicuously disclose all material terms and conditions, in-  
19          cluding any fee and pricing information associated with  
20          any products or services offered, advertised, marketed, or  
21          sold to consumers by the agency or reseller. Such dislo-  
22          sures shall be made in all forms of communication to con-  
23          sumers and displayed prominently on the agency or re-  
24          seller’s website and all other locations where products or

1 services are offered, advertised, marketed, or sold to con-  
2 sumers.”.

3 **SEC. 703. PROHIBITION ON EXCESSIVE DIRECT-TO-CON-**  
4 **SUMER SALES.**

5 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
6 seq.), as amended by section 407, is further amended—

7 (1) by adding after section 632 the following  
8 new section:

9 **“§ 633. Fair and reasonable fees for products and**  
10 **services**

11 “The Bureau may, with respect to any product or  
12 service offered by a consumer reporting agency to a con-  
13 sumer, set a fair and reasonable maximum fee that may  
14 be charged for such product or service, except where such  
15 maximum fee is otherwise provided under this title.”; and

16 (2) in the table of contents for such Act, by  
17 adding at the end the following new item:

“633. Fair and reasonable fees for products and services.”.

18 **SEC. 704. FAIR ACCESS TO CONSUMER REPORTING AND**  
19 **CREDIT SCORING DISCLOSURES FOR NON-**  
20 **NATIVE ENGLISH SPEAKERS AND THE VIS-**  
21 **UALLY AND HEARING IMPAIRED.**

22 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
23 seq.), as amended by section 903, is further amended—

24 (1) by adding at the end the following new sec-  
25 tion:

1 **“§ 635. Fair access to information for nonnative**  
2 **English speakers and the visually and**  
3 **hearing impaired**

4 “(a) IN GENERAL.—Not later than 180 days after  
5 the date of the enactment of this section, the Bureau shall  
6 issue a rule to require consumer reporting agencies and  
7 persons who furnish information to consumer reporting  
8 agencies under this title, to the maximum extent reason-  
9 ably practicable—

10 “(1) to provide any information, disclosures, or  
11 other communication with consumers—

12 “(A) in each of the 10 most commonly spo-  
13 ken languages, other than English, in the  
14 United States, as determined by the Bureau of  
15 the Census on an ongoing basis; and

16 “(B) in formats accessible to individuals  
17 with hearing or vision impairments; and

18 “(2) to ensure that—

19 “(A) customer service representatives, in-  
20 cluding employees assigned to handle disputes  
21 or appeals under sections 611 and 623, who are  
22 available to assist consumers are highly familiar  
23 with the requirements of this title;

24 “(B) such representatives are available  
25 during regular business hours and outside of

1 regular business hours, including evenings and  
2 weekends; and

3 “(C) at least one among such representa-  
4 tives is fluent in each of the 10 most commonly  
5 spoken languages, other than English, in the  
6 United States, as determined by the Bureau of  
7 the Census on an ongoing basis.

8 “(b) BUREAU CONSULTATION.—The Bureau shall  
9 consult with advocates for civil rights, consumer groups,  
10 community groups, and organizations that serve tradition-  
11 ally underserved communities and populations in issuing  
12 the rule described in subsection (a).”; and

13 (2) in the table of contents for such Act, by  
14 adding at the end the following new item:

“635. Fair access to information for nonnative English speakers and the visually  
and hearing impaired.”.

15 **SEC. 705. COMPARISON SHOPPING FOR LOANS WITHOUT**  
16 **HARM TO CREDIT STANDING.**

17 Section 605 of the Fair Credit Reporting Act (15  
18 U.S.C. 1681c), as amended by section 401, is further  
19 amended by adding at the end the following new sub-  
20 section:

21 “(h) ENCOURAGING COMPARISON SHOPPING FOR  
22 LOANS.—

23 “(1) IN GENERAL.—With respect to multiple  
24 enquiries of the same type made to a consumer re-

1        reporting agency for a consumer report or credit score  
2        with respect to a consumer, any credit scoring model  
3        shall treat such enquiries as a single enquiry if the  
4        enquiries are made within a 120-day period.

5            “(2) DEFINITION OF ENQUIRIES OF THE SAME  
6        TYPE.—With respect to multiple enquiries made to  
7        a consumer reporting agency for a consumer report  
8        or credit score with respect to a consumer, such  
9        enquiries are ‘of the same type’ if the consumer re-  
10       reporting agency has reason to believe that the  
11       enquiries are all made for the purpose of deter-  
12       mining the consumer’s creditworthiness for an exten-  
13       sion of credit described in one of the following:

14            “(A) A covered residential mortgage loan  
15            (as defined in section 605C).

16            “(B) A motor vehicle loan or lease (as de-  
17            scribed in section 609(i)).

18            “(C) A private education loan.

19            “(D) Any other consumer financial product  
20            or service, as determined by the Bureau.”.

21        **SEC. 706. NATIONWIDE CONSUMER REPORTING AGENCIES**  
22            **REGISTRY.**

23        The Fair Credit Reporting Act (15 U.S.C. 1681 et  
24        seq.), as amended by section 704, is further amended—

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

3 **“§ 636. Nationwide consumer reporting agencies reg-  
4 istry**

5 “(a) IN GENERAL.—Not later than 1 year after the  
6 date of enactment of this section, the Bureau shall estab-  
7 lish and maintain a publicly accessible registry of con-  
8 sumer reporting agencies described in subsection (p) or  
9 (x) of section 603 (and any other agencies the Bureau de-  
10 termines provide similar services to such consumer report-  
11 ing agencies) that includes current contact information of  
12 each such agency, including the Internet website address  
13 of the Internet website described under section 611(h),  
14 and information on how consumers can obtain their con-  
15 sumer report, credit scores, or educational credit scores  
16 (as applicable) by toll-free telephone, postal mail, or elec-  
17 tronic means.

18 “(b) REGISTRY REQUIREMENTS.—The registry de-  
19 scribed in subsection (a) shall—

20 “(1) identify the largest agencies and the mar-  
21 kets and demographics covered by such agencies;  
22 and

23 “(2) disclose, with respect to each agency,  
24 whether the agency is subject to the supervisory au-  
25 thority of the Bureau under this title.



1       “(c) INFORMATION UPDATES.—Each agency de-  
2 scribed under subsection (a) shall submit to the Bureau  
3 contact information for the registry, including any updates  
4 to such information. The Bureau shall—

5               “(1) independently verify information submitted  
6 by each agency; and

7               “(2) update the registry not less frequently  
8 than annually.”; and

9               (2) in the table of contents for such Act by add-  
10 ing at the end the following new item:

“636. Nationwide consumer reporting agencies registry.”.

11 **SEC. 707. PROTECTION FOR CERTAIN CONSUMERS AF-**  
12 **FECTED BY A SHUTDOWN.**

13       (a) DEFINITION OF EMPLOYEE AFFECTED BY A  
14 SHUTDOWN.—Section 603 of the Fair Credit Reporting  
15 Act (15 U.S.C. 1681a), as amended by section 901, is fur-  
16 ther amended by adding at the end the following:

17       “(ff) EMPLOYEE AFFECTED BY A SHUTDOWN.—  
18 With respect to a shutdown, the term ‘employee affected  
19 by a shutdown’ means a consumer who—

20               “(1) is an employee of—

21                       “(A) the Federal Government, and who is  
22 furloughed or excepted from a furlough during  
23 the shutdown;

1           “(B) the District of Columbia, and who is  
2           furloughed or excepted from a furlough during  
3           the shutdown;

4           “(C) the District of Columbia Courts, and  
5           who is furloughed or excepted from a furlough  
6           during the shutdown;

7           “(D) the Public Defender Service for the  
8           District of Columbia, and who is furloughed or  
9           excepted from a furlough during the shutdown;  
10          or

11          “(E) a Federal contractor (as defined  
12          under section 7101 of title 41, United States  
13          Code) or other business, and who has experi-  
14          enced a substantial reduction in pay (directly or  
15          indirectly) due to the shutdown; and

16          “(2) who—

17                 “(A) is listed in the database established  
18                 under section 63; or

19                 “(B) has self-certified pursuant to such  
20                 section.

21          “(gg) SHUTDOWN.—The term ‘shutdown’ means any  
22          period in which there is more than a 24-hour lapse in ap-  
23          propriations as a result of a failure to enact a regular ap-  
24          propriations bill or continuing resolution.

1       “(hh) COVERED SHUTDOWN PERIOD.—The term  
2 ‘covered shutdown period’ means, with respect to a shut-  
3 down, the period beginning on the first day of the shut-  
4 down and ending on the date that is 90 days after the  
5 last day of the shutdown.”.

6       (b) EXCLUSION FOR EMPLOYEES AFFECTED BY A  
7 SHUTDOWN.—Section 605(a) of the Fair Credit Reporting  
8 Act (15 U.S.C. 1681c(a)), as amended by section 809, is  
9 further amended by adding at the end the following:

10           “(18) Any adverse item of information with re-  
11 spect to an action or inaction taken during a covered  
12 shutdown period by an employee affected by a shut-  
13 down.”.

14       (c) AMENDMENT TO SUMMARY OF RIGHTS FOR EM-  
15 PLOYEES AFFECTED BY A SHUTDOWN.—Section 609(a)  
16 of the Fair Credit Reporting Act (15 U.S.C. 1681g(a))  
17 is amended by adding at the end the following:

18           “(7) Information on the rights of an employee  
19 affected by a shutdown, including which consumers  
20 may be an employee affected by a shutdown and the  
21 process for a consumer to self-certify as an employee  
22 affected by a shutdown under section 637.”.

23       (d) DATABASE AND SELF-CERTIFICATION FOR EM-  
24 PLOYEES AFFECTED BY A SHUTDOWN.—

1           (1) IN GENERAL.—The Fair Credit Reporting  
2           Act (15 U.S.C. 1681 et seq.), as amended by section  
3           706, is further amended by adding at the end the  
4           following new section:

5   **“§ 637. Database and self-certification for employees**  
6                           **affected by a shutdown**

7           “(a) DATABASE.—

8                   “(1) IN GENERAL.—With respect to each shut-  
9                   down, the consumer reporting agencies described in  
10                  section 603(p) shall jointly establish a database that  
11                  includes employees affected by the shutdown as re-  
12                  ported pursuant to paragraph (2).

13                  “(2) CONTENTS OF DATABASE.—

14                           “(A) FURLOUGHED EMPLOYEES AND CON-  
15                           TRACTORS.—Each authority of the executive,  
16                           legislative, or judicial branch of the Federal  
17                           Government or District of Columbia shall pro-  
18                           vide to the consumer reporting agencies de-  
19                           scribed in section 603(p) a list identifying—

20                                   “(i) employees of such authority that  
21                                   are furloughed, excepted from furlough, or  
22                                   not receiving pay because of a shutdown;  
23                                   and

24   “(ii) to the extent practicable, employ-  
25   ees of contractors of such authority.

1           “(B) SELF-CERTIFIED CONSUMERS.—A  
2           consumer that self-certifies as an employee af-  
3           fected by a shutdown pursuant to subsection  
4           (b) shall be included in the database, unless the  
5           Bureau determines such consumer is not an  
6           employee affected by a shutdown.

7           “(3) ACCESS TO DATABASE.—The consumer re-  
8           porting agencies described in section 603(p) shall  
9           make the database established under this subsection  
10          available to the Bureau, other consumer reporting  
11          agencies, furnishers of information to consumer re-  
12          porting agencies, and users of consumer reports. A  
13          consumer reporting agency described in section  
14          603(x) shall periodically access the database to con-  
15          firm the accuracy of information such an agency has  
16          that identifies a consumer as an employee affected  
17          by a shutdown.

18          “(b) SELF-CERTIFICATION PROCESS.—A consumer  
19          shall be deemed to be an employee affected by a shutdown  
20          if such consumer self-certifies through—

21                 “(1) the website established under subsection  
22                 (c); or

23                 “(2) a toll-free telephone number established by  
24                 a consumer reporting agency.

1           “(c) WEBSITE.—The consumer reporting agencies  
2 described in section 603(p) shall jointly establish a website  
3 for a consumer to self-certify as an employee affected by  
4 a shutdown. Such website may not include any advertise-  
5 ment or other solicitation.

6           “(d) OPT-OUT.—The consumer reporting agencies  
7 described in section 603(p) shall provided a process  
8 through the website described under subsection (c) for  
9 consumers to opt-out of having their name included in the  
10 database established under this section.”.

11           (2) TABLE OF CONTENTS AMENDMENT.—The  
12 table of contents of the Fair Credit Reporting Act,  
13 as amended by section 706, is further amended by  
14 adding at the end the following new item:

“637. Database and self-certification for employees affected by a shutdown.”.

15           (e) PROHIBITION ON ADVERSE ACTIONS AGAINST  
16 EMPLOYEES AFFECTED BY A SHUTDOWN.—Section 604  
17 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is  
18 amended by adding at the end the following:

19           “(h) PROHIBITION ON ADVERSE ACTIONS AGAINST  
20 EMPLOYEES AFFECTED BY A SHUTDOWN.—If a user of  
21 a consumer report knows that a consumer is an employee  
22 affected by a shutdown, such user may not take an adverse  
23 action based on—

24           “(1) any adverse item of information contained  
25 in such report with respect to an action or inaction

1 taken during a covered shutdown period by the em-  
2 ployee; or

3 “(2) information on the consumer included in  
4 the database established under section 637.”.

5 (f) BUREAU REGULATIONS OR GUIDANCE.—Not  
6 later than 30 days after the date of the enactment of this  
7 Act, the Director of the Bureau of Consumer Financial  
8 Protection shall issue rules or guidance, as appropriate,  
9 to carry out the requirements of this Act.

10 **TITLE VIII—PROTECTIONS**  
11 **AGAINST IDENTITY THEFT,**  
12 **FRAUD, OR A RELATED**  
13 **CRIME**

14 **SEC. 801. IDENTITY THEFT REPORT DEFINITION.**

15 (a) IN GENERAL.—Paragraph (4) of section 603(q)  
16 of the Fair Credit Reporting Act (15 U.S.C. 1681a(q)(4))  
17 is amended to read as follows:

18 “(4) IDENTITY THEFT REPORT.—The term  
19 ‘identity theft report’ has the meaning given that  
20 term by rule of the Bureau, and means, at a min-  
21 imum, a report—

22 “(A) that is a standardized affidavit that  
23 alleges that a consumer has been a victim of  
24 identity theft, fraud, or a related crime, or has  
25 been harmed by the unauthorized disclosure of

1 the consumer’s financial or personally identifi-  
2 able information, that was developed and made  
3 available by the Bureau; or

4 “(B)(i) that alleges an identity theft,  
5 fraud, or a related crime, or alleges harm from  
6 the unauthorized disclosure of the consumer’s  
7 financial or personally identifiable information;

8 “(ii) that is a copy of an official, valid re-  
9 port filed by a consumer with an appropriate  
10 Federal, State, or local law enforcement agency  
11 (including the United States Postal Inspection  
12 Service), or such other government agency  
13 deemed appropriate by the Bureau; and

14 “(iii) the filing of which subjects the per-  
15 son filing the report to criminal penalties relat-  
16 ing to the filing of false information if the in-  
17 formation in the report is actually false.”.

18 (b) RULEMAKING.—Not later than the end of the 2-  
19 year period beginning on the date of enactment of this  
20 Act, the Director of the Bureau of Consumer Financial  
21 Protection shall issue final rules to carry out the amend-  
22 ment made by subsection (a).



1 **SEC. 802. AMENDMENT TO PROTECTION FOR FILES AND**  
2 **CREDIT RECORDS OF PROTECTED CON-**  
3 **SUMERS.**

4 (a) AMENDMENT TO DEFINITION OF “FILE”.—Sec-  
5 tion 603(g) of the Fair Credit Reporting Act (15 U.S.C.  
6 1681a(g)) is amended by inserting “, except that such  
7 term excludes a record created pursuant to section  
8 605A(j)” after “stored”.

9 (b) AMENDMENT TO PROTECTION FOR FILES AND  
10 CREDIT RECORDS.—Section 605A(j) of the Fair Credit  
11 Reporting Act (15 U.S.C. 1681c–1(j)) is amended—

12 (1) in paragraph (1)—

13 (A) in subparagraph (B)(ii), by striking  
14 “an incapacitated person or a protected person”  
15 and inserting “a person”; and

16 (B) by amending subparagraph (E) to read  
17 as follows:

18 “(E) The term ‘security freeze’—

19 “(i) has the meaning given in sub-  
20 section (i)(1)(C); and

21 “(ii) with respect to a protected con-  
22 sumer for whom the consumer reporting  
23 agency does not have a file, means a  
24 record that is subject to a security freeze  
25 that a consumer reporting agency is pro-  
26 hibited from disclosing to any person re-

1           requesting the consumer report for the pur-  
2           pose of opening a new account involving  
3           the extension of credit.”; and

4           (2) in paragraph (4)(D), by striking “a pro-  
5           tected consumer or a protected consumer’s rep-  
6           resentative under subparagraph (A)(i)” and insert-  
7           ing “a protected consumer described under subpara-  
8           graph (A)(ii) or a protected consumer’s representa-  
9           tive”.

10 **SEC. 803. ENHANCEMENT TO FRAUD ALERT PROTECTIONS.**

11           Section 605A of the Fair Credit Reporting Act (15  
12 U.S.C. 1681c-1) is amended—

13           (1) in subsection (a)—

14           (A) in the subsection heading, by striking  
15           “ONE-CALL” and inserting “1-YEAR”;

16           (B) in paragraph (1)—

17           (i) in the paragraph heading, by strik-  
18           ing “INITIAL ALERTS” and inserting “IN  
19           GENERAL”;

20           (ii) by inserting “or has been or is  
21           about to be harmed by the unauthorized  
22           disclosure of the consumer’s financial or  
23           personally identifiable information,” after  
24           “identity theft,”;

25           (iii) in subparagraph (A)—

1 (I) by inserting “(which period  
2 may be extended upon request of the  
3 consumer or such representative)”  
4 after “1 year”; and

5 (II) by striking “and” at the end;  
6 (iv) in subparagraph (B)—

7 (I) by inserting “1-year” before  
8 “fraud alert”; and

9 (II) by striking the period at the  
10 end and inserting “; and”; and

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

13 “(C) upon the expiration of the period de-  
14 scribed in subparagraph (A) or any extension of  
15 such period, and in response to a direct request  
16 by the consumer or such representative, con-  
17 tinue the fraud alert for a period of 1 addi-  
18 tional year if the information asserted in this  
19 paragraph remains applicable.”; and

20 (C) in paragraph (2)—

21 (i) in the paragraph heading, by in-  
22 sserting “AND CREDIT OR EDUCATIONAL  
23 CREDIT SCORES” after “REPORTS”;

24 (ii) by inserting “1-year” before  
25 “fraud alert”;

1 (iii) in subparagraph (A), by inserting  
2 “and credit score or educational credit  
3 score” after “file”; and

4 (iv) in subparagraph (B), by striking  
5 “any request described in subparagraph  
6 (A)” and inserting “the consumer report-  
7 ing agency includes the 1-year fraud alert  
8 in the file of a consumer”;

9 (2) in subsection (b)—

10 (A) in the subsection heading, by striking  
11 “EXTENDED” and inserting “7-YEAR”;

12 (B) in paragraph (1)—

13 (i) in subparagraph (A), by inserting  
14 “(which period may be extended upon re-  
15 quest of the consumer or such representa-  
16 tive)” after “7-year period beginning on  
17 the date of such request”;

18 (ii) in subparagraph (B)—

19 (I) by striking “the 5-year period  
20 beginning on the date of such re-  
21 quest” and inserting “such 7-year pe-  
22 riod (including any extension of such  
23 period)”; and

24 (II) by striking “and” at the end;

25 (iii) in subparagraph (C)—

1 (I) by striking “extended” and  
2 inserting “7-year”; and

3 (II) by striking the period at the  
4 end and inserting “; and”; and

5 (iv) by adding at the end the following  
6 new subparagraph:

7 “(D) upon the expiration of such 7-year  
8 period or any extension of such period, and in  
9 response to a direct request by the consumer or  
10 such representative, continue the fraud alert for  
11 a period of 7 additional years if the consumer  
12 or such representative submits an updated iden-  
13 tity theft report.”; and

14 (C) in paragraph (2)—

15 (i) in the paragraph heading, by in-  
16 sserting “AND CREDIT OR EDUCATIONAL  
17 CREDIT SCORES” after “REPORTS”; and

18 (ii) by amending subparagraph (A) to  
19 read as follows:

20 “(A) disclose to the consumer that the con-  
21 sumer may request a free copy of the file and  
22 credit score or educational credit score of the  
23 consumer pursuant to section 612(d) during  
24 each 12-month period beginning on the date on  
25 which the 7-year fraud alert was included in the

1 file and ending on the date of the last day that  
2 the 7-year fraud alert applies to the consumer’s  
3 file; and”;

4 (3) in subsection (c)—

5 (A) in paragraph (1), by inserting “or edu-  
6 cational credit score” after “credit score”;

7 (B) by redesignating paragraphs (1), (2),  
8 and (3), as subparagraphs (A), (B), and (C),  
9 respectively (and conforming the margins ac-  
10 cordingly);

11 (C) by striking “Upon the direct request”  
12 and inserting:

13 “(1) IN GENERAL.—Upon the direct request”;

14 and

15 (D) by adding at the end the following new  
16 paragraph:

17 “(2) ACCESS TO FREE REPORTS AND CREDIT  
18 OR EDUCATIONAL CREDIT SCORES.—If a consumer  
19 reporting agency includes an active duty alert in the  
20 file of an active duty uniformed consumer, the con-  
21 sumer reporting agency shall—

22 “(A) disclose to the active duty uniformed  
23 consumer that the active duty uniformed con-  
24 sumer may request a free copy of the file and  
25 credit score or educational credit score of the

1 active duty uniformed consumer pursuant to  
2 section 612(d), during each 12-month period  
3 beginning on the date that the activity duty  
4 alert is requested and ending on the date of the  
5 last day the active duty alert applies to the file  
6 of the active duty uniformed consumer; and

7 “(B) provide to the active duty uniformed  
8 consumer all disclosures required to be made  
9 under section 609, without charge to the con-  
10 sumer, not later than 3 business days after any  
11 request described in subparagraph (A).”;

12 (4) by amending subsection (d) to read as fol-  
13 lows:

14 “(d) PROCEDURES.—Each consumer reporting agen-  
15 cy described in section 603(p) shall include on the  
16 webpage required under subsection (i) policies and proce-  
17 dures to comply with this section, including policies and  
18 procedures—

19 “(1) that inform consumers of the availability  
20 of 1-year fraud alerts, 7-year fraud alerts, active  
21 duty alerts, and security freezes (as applicable);

22 “(2) that allow consumers to request 1-year  
23 fraud alerts, 7-year fraud alerts, and active duty  
24 alerts (as applicable) and to place, temporarily lift,

1 or fully remove a security freeze in a simple and  
2 easy manner; and

3 “(3) for asserting in good faith a suspicion that  
4 the consumer has been or is about to become a vic-  
5 tim of identity theft, fraud, or a related crime, or  
6 harmed by the unauthorized disclosure of the con-  
7 sumer’s financial or personally identifiable informa-  
8 tion, for a consumer seeking a 1-year fraud alert or  
9 security freeze.”;

10 (5) in subsection (e), by inserting “1-year or 7-  
11 year” before “fraud alert”;

12 (6) in subsection (f), by striking “or active duty  
13 alert” and inserting “active duty alert, or security  
14 freeze (as applicable)”;

15 (7) in subsection (g)—

16 (A) by inserting “or has been harmed by  
17 the unauthorized disclosure of the consumer’s  
18 financial or personally identifiable information,  
19 or to inform such agency of the consumer’s par-  
20 ticipation in credit restoration or rehabilitation  
21 under section 605C, 605D, or 605E,” after  
22 “identity theft,”; and

23 (B) by inserting “or security freezes” after  
24 “request alerts”;

25 (8) in subsection (h)—



- 1 (A) in paragraph (1)—
- 2 (i) in the paragraph heading, by strik-
- 3 ing “INITIAL” and inserting “1-YEAR”; and
- 4 (ii) by striking “initial” and inserting
- 5 “1-year” each place such term appears;
- 6 and
- 7 (B) in paragraph (2)—
- 8 (i) in the paragraph heading, by strik-
- 9 ing “EXTENDED” and inserting “7-YEAR”;
- 10 and
- 11 (ii) by striking “extended” and insert-
- 12 ing “7-year” each place such term appears;
- 13 and
- 14 (9) in subsection (i)(4)—
- 15 (A) by striking subparagraphs (E) and (I);
- 16 and
- 17 (B) by redesignating subparagraphs (F),
- 18 (G), (H), and (J) as subparagraphs (E), (F),
- 19 (G), and (H), respectively.

20 **SEC. 804. AMENDMENT TO SECURITY FREEZES FOR CON-**

21 **SUMER REPORTS.**

- 22 (a) IN GENERAL.—Section 605A(i) of the Fair Credit
- 23 Reporting Act (15 U.S.C. 1681e–1(i)) is amended—

1           (1) by amending the subsection heading to read  
2 as follows: “SECURITY FREEZES FOR CONSUMER  
3 REPORTS”;

4           (2) in paragraph (3)(E), by striking “Upon re-  
5 ceiving” and all that follows through “subparagraph  
6 (C),” and inserting “Upon receiving a direct request  
7 from a consumer for a temporary removal of a secu-  
8 rity freeze, a consumer reporting agency shall”;

9           (3) by adding at the end the following:

10           “(7) RELATION TO STATE LAW.—This sub-  
11 section does not modify or supersede the laws of any  
12 State relating to security freezes or other similar ac-  
13 tions, except to the extent those laws are incon-  
14 sistent with any provision of this title, and then only  
15 to the extent of the inconsistency. For purposes of  
16 this subsection, a term or provision of a State law  
17 is not inconsistent with the provisions of this sub-  
18 section if the term or provision affords greater pro-  
19 tection to the consumer than the protection provided  
20 under this subsection as determined by the Bu-  
21 reau.”.

22           (b) AMENDMENT TO WEBPAGE REQUIREMENTS.—  
23 Section 605A(i)(6)(A) of the Fair Credit Reporting Act  
24 (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

1 (1) in clause (ii), by striking “initial fraud  
2 alert” and inserting “1-year fraud alert”;

3 (2) in clause (iii), by striking “extended fraud  
4 alert” and inserting “7-year fraud alert”; and

5 (3) in clause (iv), by striking “fraud”.

6 (c) AMENDMENT TO EXCEPTIONS FOR CERTAIN  
7 PERSONS.—Section 605A(i)(4)(A) of the Fair Credit Re-  
8 porting Act (15 U.S.C. 1681c–1(i)(4)(A)) is amended to  
9 read as follows:

10 “(A) A person, or the person’s subsidiary,  
11 affiliate, agent, subcontractor, or assignee with  
12 whom the consumer has, or prior to assignment  
13 had, an authorized account, contract, or debtor-  
14 creditor relationship for the purposes of review-  
15 ing the active account or collecting the financial  
16 obligation owed on the account, contract, or  
17 debt.”.

18 (d) EFFECTIVE DATE.—The amendments made by  
19 subsection (a) shall take effect on the date of the enact-  
20 ment of this Act.

21 **SEC. 805. CLARIFICATION OF INFORMATION TO BE IN-**  
22 **CLUDED WITH AGENCY DISCLOSURES.**

23 Section 609(c)(2) of the Fair Credit Reporting Act  
24 (15 U.S.C. 1681g(c)(2)) is amended—

25 (1) in subparagraph (B)—

1 (A) by striking “consumer reporting agen-  
2 cy described in section 603(p)” and inserting  
3 “consumer reporting agency described in sub-  
4 section (p) or (x) of section 603”;

5 (B) by striking “the agency” and inserting  
6 “such an agency”; and

7 (C) by inserting “and an Internet website  
8 address” after “hours”; and

9 (2) in subparagraph (E), by striking “outdated  
10 under section 605 or” and inserting “outdated, re-  
11 quired to be removed, or”.

12 **SEC. 806. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**  
13 **TIMS.**

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

16 (1) in paragraph (1)—

17 (A) by striking “resulting from identity  
18 theft”;

19 (B) by striking “claim of identity theft”  
20 and inserting “claim of fraudulent activity”;  
21 and

22 (C) by striking “any transaction alleged to  
23 be a result of identity theft” and inserting “any  
24 fraudulent transaction”;

25 (2) in paragraph (2)(B)—

1 (A) by striking “identity theft, at the elec-  
2 tion of the business entity” and inserting  
3 “fraudulent activity”;

4 (B) by amending clause (i) to read as fol-  
5 lows:

6 “(i) a copy of an identity theft report;  
7 or”; and

8 (C) by amending clause (ii) to read as fol-  
9 lows:

10 “(ii) an affidavit of fact that is ac-  
11 ceptable to the business entity for that  
12 purpose.”;

13 (3) in paragraph (3), by striking “identity  
14 theft” and inserting “fraudulent activity”;

15 (4) by striking paragraph (8) and redesignating  
16 paragraphs (9) through (13) as paragraphs (8)  
17 through (12), respectively; and

18 (5) in paragraph (10) (as so redesignated), by  
19 striking “or a similar crime” and inserting “, fraud,  
20 or a related crime”.

21 **SEC. 807. REQUIRED BUREAU TO SET PROCEDURES FOR**  
22 **REPORTING IDENTITY THEFT, FRAUD, AND**  
23 **OTHER RELATED CRIME.**

24 Section 621(f)(2) of the Fair Credit Reporting Act  
25 (15 U.S.C. 1681s(f)(2)) is amended—

1 (1) in the paragraph heading, by striking  
2 “MODEL FORM” and inserting “STANDARDIZED AF-  
3 FIDAVIT”;

4 (2) by striking “The Commission” and insert-  
5 ing “The Bureau”;

6 (3) by striking “model form” and inserting  
7 “standardized affidavit”;

8 (4) by inserting after “identity theft” the fol-  
9 lowing: “, fraud, or a related crime, or otherwise are  
10 harmed by the unauthorized disclosure of the con-  
11 sumer’s financial or personally identifiable informa-  
12 tion,”; and

13 (5) by striking “fraud.” and inserting “identity  
14 theft, fraud, or other related crime. Such standard-  
15 ized affidavit and procedures shall not include a re-  
16 quirement that a consumer obtain a police report.”.

17 **SEC. 808. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**  
18 **TORING AND IDENTITY THEFT PROTECTION**  
19 **SERVICES FOR CERTAIN CONSUMERS.**

20 (a) ENFORCEMENT OF CREDIT MONITORING FOR  
21 SERVICEMEMBERS.—

22 (1) IN GENERAL.—Subsection (k) of section  
23 605A (15 U.S.C. 1681e–1(a)) is amended by strik-  
24 ing paragraph (4).

1           (2) EFFECTIVE DATE.—This subsection and the  
2           amendment made by this subsection shall take effect  
3           on the date of the enactment of this Act.

4           (b) FREE CREDIT MONITORING AND IDENTITY  
5 THEFT PROTECTION SERVICES FOR CERTAIN CON-  
6 SUMERS.—Subsection (k) of section 605A (15 U.S.C.  
7 1681c–1), is amended to read as follows:

8           “(k) CREDIT MONITORING AND IDENTITY THEFT  
9 PROTECTION SERVICES.—

10           “(1) IN GENERAL.—Upon the direct request of  
11           a consumer, a consumer reporting agency described  
12           in section 603(p) that maintains a file on the con-  
13           sumer and has received appropriate proof of the  
14           identity of the requester (as described in section  
15           1022.123 of title 12, Code of Federal Regulations)  
16           shall provide the consumer with credit monitoring  
17           and identity theft protection services not later than  
18           1 business day after receiving such request sent by  
19           postal mail, toll-free telephone, or secure electronic  
20           means as established by the agency.

21           “(2) FEES.—

22           “(A) CLASSES OF CONSUMERS.—The Bu-  
23           reau may establish classes of consumers eligible  
24           to receive credit monitoring and identity theft  
25           protection services free of charge.

1           “(B) NO FEE.—A consumer reporting  
2 agency described in section 603(p) may not  
3 charge a consumer a fee to receive credit moni-  
4 toring and identity theft protection services if  
5 the consumer or a representative of the con-  
6 sumer—

7           “(i) asserts in good faith a suspicion  
8 that the consumer has been or is about to  
9 become a victim of identity theft, fraud, or  
10 a related crime, or harmed by the unau-  
11 thorized disclosure of the consumer’s fi-  
12 nancial or personally identifiable informa-  
13 tion;

14           “(ii) is unemployed and intends to  
15 apply for employment in the 60-day period  
16 beginning on the date on which the request  
17 is made;

18           “(iii) is a recipient of public welfare  
19 assistance;

20           “(iv) is an active duty uniformed con-  
21 sumer or a member of the National Guard  
22 (as defined in section 101(c) of title 10,  
23 United States Code);

24           “(v) is 65 years of age or older; or



1                   “(vi) is a member of a class estab-  
2                   lished by the Bureau under subparagraph  
3                   (A).

4                   “(3) BUREAU RULEMAKING.—The Bureau shall  
5                   issue regulations—

6                   “(A) to define the scope of credit moni-  
7                   toring and identity theft protection services re-  
8                   quired under this subsection; and

9                   “(B) to set a fair and reasonable fee that  
10                  a consumer reporting agency may charge a con-  
11                  sumer (other than a consumer described under  
12                  paragraph (2)(B)) for such credit monitoring  
13                  and identity theft protection services.

14                  “(4) RELATION TO STATE LAW.—This sub-  
15                  section does not modify or supersede of the laws of  
16                  any State relating to credit monitoring and identity  
17                  theft protection services or other similar actions, ex-  
18                  cept to the extent those laws are inconsistent with  
19                  any provision of this title, and then only to the ex-  
20                  tent of the inconsistency. For purposes of this sub-  
21                  section, a term or provision of a State law is not in-  
22                  consistent with the provisions of this subsection if  
23                  the term or provision affords greater protection to  
24                  the consumer than the protection provided under  
25                  this subsection as determined by the Bureau.”.

1 (c) RULEMAKING.—Not later than the end of the 2-  
2 year period beginning on the date of enactment of this  
3 Act, the Director of the Bureau of Consumer Financial  
4 Protection shall issue final rules to carry out the amend-  
5 ment made by subsection (b).

6 **SEC. 809. ENSURES REMOVAL OF INQUIRIES RESULTING**  
7 **FROM IDENTITY THEFT, FRAUD, OR OTHER**  
8 **RELATED CRIME FROM CONSUMER REPORTS.**

9 Section 605(a) of the Fair Credit Reporting Act (15  
10 U.S.C. 1681c(a)), as amended by section 403, is further  
11 amended by adding at the end the following:

12 “(17) Information about inquiries made for a  
13 credit report based on requests that the consumer  
14 reporting agency verifies were initiated as the result  
15 of identity theft, fraud, or other related crime.”.

16 **TITLE IX—MISCELLANEOUS**

17 **SEC. 901. DEFINITIONS.**

18 Section 603 of the Fair Credit Reporting Act (15  
19 U.S.C. 1681a), as amended by section 302, is further  
20 amended by adding at the end the following:

21 “(dd) DEFINITIONS RELATED TO DAYS.—

22 “(1) CALENDAR DAY; DAY.—The term ‘calendar  
23 day’ or ‘day’ means a calendar day, excluding any  
24 federally recognized holiday.



1 in other circumstances, and unfair credit reporting and  
2 credit scoring methods undermine the public confidence  
3 which is essential to the continued functioning of the fi-  
4 nancial services system and the provision of many other  
5 consumer products and services.”; and

6 (B) in paragraph (4), by inserting after  
7 “agencies” the following: “, furnishers, and  
8 credit scoring developers”; and

9 (2) in subsection (b)—

10 (A) by striking “It is the purpose of this  
11 title to require” and inserting the following:

12 “The purpose of this title is the following:

13 “(1) To require”; and

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

15 “(2) To prohibit any practices and procedures  
16 with respect to credit reports and credit scores that  
17 are not in the public interest.”.

18 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE  
19 PUBLIC INTEREST.—The Fair Credit Reporting Act (15  
20 U.S.C. 1681 et seq.), as amended by section 703, is fur-  
21 ther amended—

22 (1) by adding at the end the following new sec-  
23 tion:

1 **“§ 634. Voiding of certain contracts not in the public**  
2 **interest**

3 “(a) IN GENERAL.—Any provision contained in a  
4 contract that requires a person to not follow a provision  
5 of this title, that is against the public interest, or that  
6 otherwise circumvents the purposes of this title shall be  
7 null and void.

8 “(b) RULE OF CONSTRUCTION.—Nothing in sub-  
9 section (a) shall be construed as affecting other provisions  
10 of a contract that are not described under subsection  
11 (a).”; and

12 (2) in the table of contents for such Act, by in-  
13 serting after the item relating to section 633 the fol-  
14 lowing new item:

“634. Voiding of certain contracts not in the public interest.”.

15 **SEC. 904. GAO STUDY ON THE USE OF CREDIT IN HOUSING**  
16 **DETERMINATIONS.**

17 (a) STUDY.—The Comptroller General of the United  
18 States shall carry out a study of the use of consumer re-  
19 ports and credit scores in housing determinations to deter-  
20 mine whether consumer reports or credit scores are being  
21 used as tools to perform the equivalent of banned red-lin-  
22 ing.

23 (b) CONTENTS OF STUDY.—In carrying out the study  
24 required under subsection (a), the Comptroller General  
25 shall—

1 (1) examine both rental applications and mort-  
2 gage applications; and

3 (2) include a demographic breakdown by race,  
4 gender, age, sexual orientation, city/suburban/rural,  
5 socioeconomic status, and any other demographic  
6 that the Comptroller General determines appro-  
7 priate.

8 (c) REPORT.—The Comptroller General shall issue a  
9 report to the Congress containing all findings and deter-  
10 minations made in carrying out the study required under  
11 subsection (a).

12 **SEC. 905. GAO STUDY ON THE EFFECTS OF CREDIT SCORES**  
13 **IMPACTED BY A STUDENT BORROWER'S DE-**  
14 **FAULTED OR DELINQUENT PRIVATE EDU-**  
15 **CATION LOAN.**

16 (a) STUDY.—The Comptroller General of the United  
17 States shall carry out a study on how credit scores im-  
18 pacted by a student borrower's defaulted or delinquent  
19 private education loan impacts applying for future loans,  
20 including information on the treatment of different demo-  
21 graphic populations.

22 (b) REPORT.—The Comptroller General shall issue a  
23 report to the Congress containing all findings and deter-  
24 minations made in carrying out the study required under  
25 subsection (a).

1 **SEC. 906. GAO STUDY ON CONSUMER REPORTING AGENCY**  
2 **COMPLIANCE WITH CONSENT ORDERS.**

3 (a) STUDY.—The Comptroller General of the United  
4 States shall carry out a study of the compliance by con-  
5 sumer reporting agencies that compile and maintain files  
6 on consumers on a nationwide basis with consent orders,  
7 and the impact such compliance has on consumers.

8 (b) REPORT.—Not later than the end of the 180-day  
9 period beginning on the date of enactment of this Act, the  
10 Comptroller General shall issue a report to the Committee  
11 on Financial Services of the House of Representatives and  
12 the Committee on Banking, Housing, and Urban Affairs  
13 of the Senate containing all findings and determinations  
14 made in carrying out the study required under subsection  
15 (a).

16 (c) DEFINITIONS.—In this section, the terms “con-  
17 sumer” and “consumer reporting agency that compiles  
18 and maintains files on consumers on a nationwide basis”  
19 have the meaning given those terms, respectively, under  
20 section 603 of the Fair Credit Reporting Act.

21 **SEC. 907. PROTECTIONS FOR ACTIVE DUTY UNIFORMED**  
22 **CONSUMER.**

23 (a) DEFINITIONS.—Section 603 of the Fair Credit  
24 Reporting Act (15 U.S.C. 1681a) is amended—

25 (1) in subsection (q), by amending paragraph  
26 (1) to read as follows:

1           “(1) ACTIVE DUTY UNIFORMED CONSUMER.—  
2           The term ‘active duty uniformed consumer’ means a  
3           consumer who is—

4                   “(A) in military service and on active serv-  
5           ice (as defined in section 101(d) of title 10,  
6           United States Code); or

7                   “(B) a member of the uniformed services  
8           (as defined in section 101(a) of title 10, United  
9           States Code) who is not a member of the armed  
10          forces and is on active service.”; and

11          (2) by inserting after subsection (dd) (as added  
12          by section 901) the following:

13          “(ii) EXTENDED ACTIVE DUTY UNIFORMED CON-  
14          SUMER.—The term ‘extended active duty uniformed con-  
15          sumer’ means an active duty uniformed consumer that is  
16          deployed—

17                   “(1) in a combat zone (as defined under section  
18           112(c) of the Internal Revenue Code of 1986); or

19                   “(2) aboard a United States vessel.”.

20          (b) PROHIBITION ON INCLUDING CERTAIN ADVERSE  
21          INFORMATION IN CONSUMER REPORTS.—Section 605 of  
22          the Fair Credit Reporting Act (15 U.S.C. 1681c) is  
23          amended—

24                   (1) in subsection (a), as amended by section  
25          809, by adding at the end the following:



1           “(19) Any item of adverse information about a  
2           consumer, if the action or inaction that gave rise to  
3           the item occurred while the consumer was an ex-  
4           tended active duty uniformed consumer.”; and

5           (2) by inserting after subsection (h) (as added  
6           by section 705) the following:

7           “(i) NOTICE OF STATUS AS AN EXTENDED ACTIVE  
8           DUTY UNIFORMED CONSUMER.—With respect to an item  
9           of adverse information about a consumer, if the action or  
10          inaction that gave rise to the item occurred while the con-  
11          sumer was an extended active duty uniformed consumer,  
12          the consumer may provide appropriate proof, including of-  
13          ficial orders, to a consumer reporting agency that the con-  
14          sumer was an extended active duty uniformed consumer  
15          at the time such action or inaction occurred. The con-  
16          sumer reporting agency shall promptly delete that item of  
17          adverse information from the file of the consumer and no-  
18          tify the consumer and the furnisher of the information of  
19          the deletion.”.

20          (c) COMMUNICATIONS BETWEEN THE CONSUMER  
21          AND CONSUMER REPORTING AGENCIES.—Section 605A  
22          of the Fair Credit Reporting Act (15 U.S.C. 1681e–1) is  
23          amended—

24                 (1) in subsection (c), as amended by section  
25                 803, by adding at the end the following:

1           “(2) NEGATIVE INFORMATION ALERT.—Any  
2 time a consumer reporting agency receives an item  
3 of adverse information about a consumer, if the con-  
4 sumer has provided appropriate proof that the con-  
5 sumer is an extended active duty uniformed con-  
6 sumer, the consumer reporting agency shall prompt-  
7 ly notify the consumer—

8           “(A) that the agency has received such  
9 item of adverse information, along with a de-  
10 scription of the item; and

11           “(B) the method by which the consumer  
12 can dispute the validity of the item.

13           “(3) CONTACT INFORMATION FOR EXTENDED  
14 ACTIVE DUTY UNIFORMED CONSUMERS.—With re-  
15 spect to any consumer that has provided appropriate  
16 proof to a consumer reporting agency that the con-  
17 sumer is an extended active duty uniformed con-  
18 sumer, if the consumer provides the consumer re-  
19 porting agency with separate contact information to  
20 be used when communicating with the consumer  
21 while the consumer is an extended active duty uni-  
22 formed consumer, the consumer reporting agency  
23 shall use such contact information for all commu-  
24 nications while the consumer is an extended active  
25 duty uniformed consumer.”; and

1           (2) in subsection (e), by amending paragraph  
2           (3) to read as follows:

3           “(3) subparagraphs (A) and (B) of subsection  
4           (c)(1), in the case of a referral under subsection  
5           (c)(1)(C).”.

6           (d) **CONFORMING AMENDMENT.**—The Fair Credit  
7 Reporting Act (15 U.S.C. 1681 et seq.) is amended by  
8 striking “active duty military” each place such term ap-  
9 pears and inserting “active duty uniformed”.

10          (e) **SENSE OF CONGRESS.**—It is the sense of Con-  
11 gress that any person making use of a consumer report  
12 containing an item of adverse information should, if the  
13 action or inaction that gave rise to the item occurred while  
14 the consumer was an extended active duty uniformed con-  
15 sumer, take such fact into account when evaluating the  
16 creditworthiness of the consumer.

17 **SEC. 908. POSITIVE CREDIT REPORTING PERMITTED.**

18          (a) **IN GENERAL.**—Section 623 of the Fair Credit  
19 Reporting Act (15 U.S.C. 1681s–2), as amended by sec-  
20 tion 103, is further amended by adding at the end the  
21 following new subsection:

22          “(g) **FULL-FILE CREDIT REPORTING.**—

23                 “(1) **IN GENERAL.**—Subject to the require-  
24 ments of paragraphs (2) through (5) and notwith-  
25 standing any other provision of law, a person that

1 has obtained the written authorization of a con-  
2 sumer may furnish to a consumer reporting agency  
3 information relating to the performance of a con-  
4 sumer in making payments—

5 “(A) under a lease agreement with respect  
6 to a dwelling; or

7 “(B) pursuant to a contract for services  
8 provided by a utility or telecommunication firm.

9 “(2) LIMITATIONS.—

10 “(A) WITHHELD PAYMENTS DUE TO HAB-  
11 ITABILITY OR SANITARY CONDITIONS.—No per-  
12 son shall furnish or threaten to furnish negative  
13 information relating to the performance of a  
14 consumer in making payments under a lease  
15 agreement with respect to a dwelling if the con-  
16 sumer has withheld payment pursuant to—

17 “(i) any right or remedy for breach of  
18 the warranty of habitability; or

19 “(ii) any violation of a Federal, State,  
20 or municipal law, code, or regulation re-  
21 garding sanitary conditions.

22 “(B) SERVICES PROVIDED BY A UTILITY  
23 OR TELECOMMUNICATION FIRM.—Information  
24 about a consumer’s usage of any services pro-  
25 vided by a utility or telecommunication firm

1           may be furnished to a consumer reporting agen-  
2           cy only to the extent that such information re-  
3           lates to—

4                   “(i) payment by the consumer for  
5                   such services; or

6                   “(ii) other terms of the provision of  
7                   such services to the consumer, including  
8                   any deposit, discount, or conditions for  
9                   interruption or termination of such serv-  
10                  ices.

11           “(3) PAYMENT PLAN.—A utility or tele-  
12           communication firm may not report payment infor-  
13           mation to a consumer reporting agency with respect  
14           to an outstanding balance of a consumer as late if—

15                   “(A) the utility or telecommunication firm  
16                   and the consumer have entered into a payment  
17                   plan (including a deferred payment agreement,  
18                   an arrearage management program, or a debt  
19                   forgiveness program) with respect to such out-  
20                   standing balance; and

21                   “(B) the consumer is meeting the obliga-  
22                   tions of the payment plan, as determined by the  
23                   utility or telecommunication firm.

24           “(4) PROHIBITION ON USE BY DEBT COLLEC-  
25           TORS.—A debt collector (as defined in section

1 803(6) of the Fair Debt Collection Practices Act)  
2 may not use the information described in paragraph  
3 (1).

4 “(5) RELATION TO STATE LAW.—Notwith-  
5 standing section 625, this subsection shall not pre-  
6 empt any law of a State with respect to furnishing  
7 to a consumer reporting agency information relating  
8 to the performance of a consumer in making pay-  
9 ments pursuant to a lease agreement with respect to  
10 a dwelling or a contract for a utility or telecommuni-  
11 cations service. For purposes of this paragraph, the  
12 term ‘law of a State’ shall include all laws, decisions,  
13 rules, regulations, or other State action having the  
14 effect of law, as issued by a State, any political sub-  
15 divisions thereof, or any agency or instrumentality of  
16 either the State or a political subdivision thereof.

17 “(6) UTILITY OR TELECOMMUNICATION FIRM  
18 DEFINED.—In this subsection, the term ‘utility or  
19 telecommunication firm’—

20 “(A) means an entity that provides utility  
21 services to the public through pipe, wire,  
22 landline, wireless, cable, or other connected fa-  
23 cilities, or radio, electronic, or similar trans-  
24 mission (including the extension of such facili-  
25 ties); and

1                   “(B) includes an entity that provides nat-  
2                   ural gas or electric service to consumers.”.

3           (b) GAO STUDY AND REPORT.—Not later than 2  
4 years after the date of enactment of this Act, the Comp-  
5 troller General of the United States shall submit to Con-  
6 gress a report on the impact on consumers of furnishing  
7 information pursuant to subsection (g) of section 623 of  
8 the Fair Credit Reporting Act (15 U.S.C. 1681s–2), as  
9 added by subsection (a).

10 **SEC. 909. SENSE OF CONGRESS.**

11           It is the sense of Congress that efforts to enhance  
12 cybersecurity and implement routine security updates of  
13 databases maintained by the nationwide consumer report-  
14 ing agencies that contain sensitive consumer data, includ-  
15 ing the credit history and personal information of millions  
16 of Americans, is critical to the national interest of the  
17 United States.

18 **SEC. 910. CYBERSECURITY SUPERVISION AND EXAMINA-**  
19 **TION OF LARGE CONSUMER REPORTING**  
20 **AGENCIES.**

21           (a) IN GENERAL.—The Fair Credit Reporting Act  
22 (15 U.S.C. 1681 et seq.), as amended by section 706, is  
23 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 cybersecu-  
6 rity 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.”.