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A BILL  
25-118

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To amend Chapter 38 of Title 28 of the District of Columbia Official Code to require credit reporting agencies to accept a personal statement from a consumer indicating the consumer experienced financial hardship resulting from a public health emergency; to prohibit users of credit reports from taking into consideration adverse information in a report that was the result of the consumer’s action or inaction that occurred during the public health emergency; to require credit reporting agencies to notify residents of the right to request a personal statement; and to provide for a civil action for violations of these requirements.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this

act may be cited as the “Public Health Emergency Credit Alert Amendment Act of 2023”.

Sec. 2. Chapter 38 of Title 28 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding a new subchapter designation to read as follows:

“Subchapter IV. Public Health Emergency Credit Alert.

“28-3871. Public health emergency credit alert.

(b) Section 28-3861(2) is amended to read as follows:

“(2) “Credit report” means any written, oral, or other communication of any information by a credit reporting agency bearing on a consumer’s creditworthiness, credit

30 standing, credit capacity, character, general reputation, personal characteristics, or mode of  
31 living, which is used or expected to be used or collected in whole or in part for the purpose of  
32 serving as a factor in establishing the consumer's eligibility for:

33           “(A) Credit or insurance to be used primarily for person, family, or household  
34 purposes;

35           “(B) Employment purposes; or

36           “(C) Any other purpose authorized under the Fair Credit Reporting Act, approved  
37 October 26, 1970 (84. Stat. 1127; 15 U.S.C. § 1681 *et seq.*)”.

38           (c) A new subchapter IV is added to read as follows:

39           “Subchapter IV. Public Health Emergency Credit Alert.

40           “§ 28-3871. Public health emergency credit alert.

41           “(a)(1) If a consumer reports in good faith that the consumer has experienced financial  
42 hardship resulting directly or indirectly from a public health emergency declared pursuant to § 7-  
43 2304.01, a credit reporting agency maintaining a file on the consumer shall accept and include in  
44 that file a personal statement furnished by the consumer indicating that the consumer has been  
45 financially impacted by the public health emergency.

46           “(2) A credit reporting agency shall provide that personal statement, along with  
47 any credit report provided by the agency, beginning on the date the credit reporting agency  
48 receives the personal statement, unless the consumer requests that the personal statement be  
49 removed.

**ENGROSSED ORIGINAL**

50           “(b) This section shall not apply to a federal credit union, as defined by 12 U.S.C. §  
51 1752(1), a national bank, as defined by 12 U.S.C. § 25b(a)(1), or a federal savings association, as  
52 defined by 12 U.S.C. § 1462(3); except, that an exception granted by this subsection shall not  
53 apply to any entity to which the savings clause at 12 U.S.C. § 25b(b)(2) applies.

54           “(c)(1) No user of a credit report shall consider adverse information in a report that was  
55 the result of an action or inaction of a consumer that occurred during, and was directly or  
56 indirectly the result of, a public health emergency declared pursuant to § 7-2304.01, if:

57                           (A) The credit report includes a personal statement pursuant to subsection  
58 (a) of this section; or

59                           (B) The consumer provides a written statement to the user of a credit  
60 report that indicates in good faith that the consumer has experienced financial hardship resulting  
61 directly or indirectly from the public health emergency declared pursuant to § 7-2304.01, before  
62 the user of the credit report makes a determination.

63           “(2) If the consumer receives a denial or rejection by the user of a credit report  
64 due to adverse information that was the result of an action or inaction of a consumer that  
65 occurred during, and was directly or indirectly the result of, the public health emergency  
66 declared pursuant to § 7-2304.01, the user must inform the consumer of the consumer’s right to  
67 provide a written statement pursuant to paragraph (1) of this subsection.

68           “(d) When a District resident requests a copy of a credit report pursuant to 15 U.S.C. §  
69 1681j, the entity providing the credit report must notify the resident of the right to request that a  
70 personal statement accompany the credit report as set forth in subsection (a) of this section.

71           “(e) If a credit reporting agency willfully fails to comply with any requirement imposed  
72 under this section, the affected consumer may bring a civil action against the agency in the  
73 Superior Court for the District of Columbia to recover:.

74                   “(1) Any actual damages sustained by the consumer as a result of the failure or  
75 damages of not less than \$100 and not more than \$1,000;

76                   “(2) Such amount of punitive damages as the court may allow; and

77                   “(3) In the case of any successful action brought under this subsection, the costs  
78 of the action together with reasonable attorney’s fees as determined by the court.

79           “(f)(1) The Attorney General may petition the Superior Court of the District of Columbia  
80 to obtain temporary or permanent injunctive relief prohibiting the use of a method, practice, or  
81 act that violates this section and requiring the violator to take affirmative action, including the  
82 restitution of money.

83                   “(2) In addition, in an action under this subsection, the Attorney General may  
84 recover:

85                           “(A) A civil penalty not to exceed \$1,000 for each violation of this  
86 section; and

87                           “(B) Reasonable attorney’s fees and costs of the action.

88 “(g) The following terms shall have the same meaning as set forth in § 28-3861:

89 “(1) “Consumer”;

90 “(2) “Credit report”; and

91 “(3) “Credit reporting agency”.

92 “(h) This section shall not be construed in a manner inconsistent with the Fair Credit  
93 Reporting Act, approved October 26, 1970 (84. Stat. 1127; 15 U.S.C. § 1681 *et seq.*), or any  
94 other federal law or regulation.”.

95 Sec. 3. Fiscal impact statement.

96 The Council adopts the fiscal impact statement in the committee report as the fiscal  
97 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
98 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

99 Sec. 4. Effective date.

100 This act shall take effect following approval by the Mayor (or in the event of veto by the  
101 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
102 provided in sections 602(c)(1) of the District of Columbia Home Rule Act, approved December  
103 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
104 Columbia Register.