

118TH CONGRESS  
2D SESSION

# H. R. 10316

To amend the Equal Credit Opportunity Act to require creditors to consider certain additional credit information when making mortgage loans, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2024

Ms. WILLIAMS of Georgia (for herself, Ms. NORTON, Mrs. RAMIREZ, Mr. LYNCH, Mr. CLEAVER, Mr. GREEN of Texas, Ms. GARCIA of Texas, and Mrs. BEATTY) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Equal Credit Opportunity Act to require creditors to consider certain additional credit information when making mortgage loans, 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 “Expanding Access to  
5 Credit through Consumer-Permissioned Data Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

1           (1) Using alternative data in mortgage lending  
2           (either through alternative credit scores or in under-  
3           writing) has the potential to increase access to credit  
4           for individuals with little or no credit history with  
5           the national credit reporting agencies (NCRAs), ac-  
6           cording to a review of alternative data use in mort-  
7           gage lending by the Government Accountability Of-  
8           fice in December 2021.

9           (2) Approximately 45 million consumers do not  
10          have any credit history with the NCRAs or did not  
11          have enough credit history to be scored, according to  
12          a 2015 report by the Bureau of Consumer Financial  
13          Protection (CFPB), entitled “Data Point: Credit  
14          Invisibles”. The CFPB also reported that this popu-  
15          lation disproportionately included low-income con-  
16          sumers, younger consumers, and consumers of color.

17          (3) The use of alternative data to establish a  
18          low- or moderate-income borrower’s credit history  
19          for the purpose of extending mortgage credit can  
20          help lenders meet goals of the Community Reinvest-  
21          ment Act.

22          (4) Mortgage underwriting systems that allow  
23          lenders to use consumer-permissioned alternative  
24          credit information may help expand access to mort-  
25          gages for borrowers with lower credit scores and

1 communities of color. On September 21, 2021,  
2 Fannie Mae updated its automated underwriting  
3 system so that it notifies lenders that a borrower  
4 may benefit from the inclusion of consistent rental  
5 payment information, and with the consumer's per-  
6 mission, the underwriting system will automatically  
7 identify rental payments within bank statement data  
8 and include this in its credit assessment. According  
9 to a fair lending and credit risk analysis by Fannie  
10 Mae and the Federal Housing Finance Agency, the  
11 populations most likely to benefit from this change  
12 are applicants with lower credit scores, who are dis-  
13 proportionately consumers of color.

14 (5) In October of 2024, the CFPB finalized a  
15 rule that would accelerate a shift toward open bank-  
16 ing, where consumers would have control over data  
17 about their financial lives and would gain new pro-  
18 tections against companies misusing their data.

19 (6) Under the final Personal Financial Data  
20 Rights rule, people would have the power to share  
21 data about their use of checking and prepaid ac-  
22 counts, credit cards, and digital wallets. This would  
23 allow them to access competing products and serv-  
24 ices without worrying that their data might be col-

1 lected, used, or retained to serve commercial inter-  
 2 ests over their own.

3 (7) The final rule will implement section 1033  
 4 of the Consumer Financial Protection Act, which  
 5 charged the CFPB with implementing personal fi-  
 6 nancial data sharing standards and protections.

7 **SEC. 3. REQUIREMENT TO CONSIDER ADDITIONAL CREDIT**  
 8 **INFORMATION WHEN MAKING MORTGAGE**  
 9 **LOANS.**

10 (a) IN GENERAL.—The Equal Credit Opportunity  
 11 Act (15 U.S.C. 1691 et seq.) is amended by inserting after  
 12 section 701 the following:

13 **“§ 701A. Requirement to consider additional credit**  
 14 **information when making mortgage loans**

15 “(a) IN GENERAL.—A creditor extending a mortgage  
 16 loan shall, in evaluating the creditworthiness of an appli-  
 17 cant, consider credit information not reported through a  
 18 nationwide consumer reporting agency, if—

19 “(1) the applicant—

20 “(A) requests such consideration;

21 “(B) authorizes the provision of the credit  
 22 information to be considered; and

23 “(C) states that the applicant does not be-  
 24 lieve that credit information reported through  
 25 consumer reporting agencies fully or accurately

1 reflects the applicant’s creditworthiness in the  
2 absence of such information; and

3 “(2) the credit information relates to the types  
4 of information that the creditor would consider if  
5 otherwise reported and includes current payment  
6 and transaction information, such as bank statement  
7 information or rental payment information.

8 “(b) TREATMENT OF ADDITIONAL INFORMATION.—  
9 A creditor shall treat any information provided pursuant  
10 to subsection (a) in the same manner and with the same  
11 weight as the creditor would treat the same information  
12 if it were provided by a consumer reporting agency, as  
13 defined through regulations by the Director of the Bureau  
14 of Consumer Financial Protection, unless the creditor rea-  
15 sonably determines that the information is the result of  
16 a material misrepresentation, according to regulations  
17 provided by the Director of the Bureau.

18 “(c) NOTICE TO APPLICANTS.—

19 “(1) IN GENERAL.—A creditor described under  
20 subsection (a) shall provide each applicant for a  
21 mortgage loan with a notice that includes—

22 “(A) an explanation of the applicant’s  
23 right under this section to authorize the provi-  
24 sion of additional credit information to the  
25 creditor for consideration, including examples of

1 such additional information, as well as the ben-  
2 efits of providing such information; and

3 “(B) the right of the creditor to disregard  
4 any such information if the creditor determines,  
5 according to regulations provided by the Direc-  
6 tor of the Bureau, that the information is the  
7 result of a material misrepresentation.

8 “(2) NOTICE LANGUAGES.—Notices required  
9 under paragraph (1) shall be made available in each  
10 of the 8 languages most commonly spoken by indi-  
11 viduals with limited English proficiency, as deter-  
12 mined by the Director of the Bureau using informa-  
13 tion published by the Director of the Bureau of the  
14 Census.

15 “(3) FORM LANGUAGE.—The Director of the  
16 Bureau shall establish form language, which shall be  
17 used by each creditor when providing the notices re-  
18 quired under this subsection, providing—

19 “(A) the examples described under para-  
20 graph (1)(A);

21 “(B) the description of the benefits de-  
22 scribed under paragraph (1)(A); and

23 “(C) the non-English language versions of  
24 the notices described under paragraph (2).

1       “(d) CONSIDERATION OF ALTERNATIVE DATA.—A  
2 creditor shall ensure that the alternative data provided  
3 under the requirements of subsection (a) shall be consid-  
4 ered as part of the decisioning process.

5       “(e) TREATMENT OF UNDERWRITING SYSTEMS.—

6           “(1) IN GENERAL.—Any person, including any  
7 Federal agency that insures, guarantees, supple-  
8 ments, or assists a federally backed single-family or  
9 multifamily mortgage loan, who develops or main-  
10 tains an underwriting system for mortgage loans  
11 shall ensure such system complies with the require-  
12 ments described under subsection (a).

13           “(2) RULEMAKING.—The Director of the Bu-  
14 reau (in consultation with the Director of the Fed-  
15 eral Housing Finance Agency, the Secretary of  
16 Housing and Urban Development, and any other  
17 Federal agency that insures, guarantees, supple-  
18 ments, or assists a federally backed single-family or  
19 multifamily mortgage loan) may issue such regula-  
20 tions as, in the judgement of the Director, may be  
21 necessary to capture consumer-permissioned data in  
22 automated underwriting systems.

23       “(f) CONSUMER REPORTING AGENCY DEFINED.—In  
24 this section, the term ‘consumer reporting agency’ has the

1 meaning given that term under section 603 of the Fair  
2 Credit Reporting Act.”.

3 (b) CLERICAL AMENDMENT.—The table of contents  
4 for the Equal Credit Opportunity Act is amended by in-  
5 serting after the item relating to section 701 the following:

“701A. Requirement to consider additional credit information when  
making mortgage loans. ”. ....

6 (c) RULEMAKING; APPLICATION DATE.—Not later  
7 than the end of the 18-month period beginning on the date  
8 of enactment of this Act, the Director of the Bureau of  
9 Consumer Financial Protection shall issue final rules to  
10 carry out the amendments made by this section, and such  
11 amendments shall apply to creditors on and after the ef-  
12 fective date of such final rules.

