

116TH CONGRESS
2^D SESSION

H. R. 3621

AN ACT

To amend the Fair Credit Reporting Act to remove adverse information for certain defaulted or delinquent private education loan borrowers who demonstrate a history of loan repayment, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Comprehensive Credit
3 Reporting Enhancement, Disclosure, Innovation, and
4 Transparency Act of 2020” or the “Comprehensive
5 CREDIT Act of 2020”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 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-

1 tion to CRAs about their accounts such as the
2 total amount for each loan or credit limit for
3 each credit card and the consumer’s payment
4 history on these products. Reports also include
5 identifying information about a consumer, such
6 as their birthdate, previous mailing addresses,
7 and current and previous employers.

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

20 (C) The 10 largest institutions furnishing
21 credit information to each of the nationwide
22 CRAs account for more than half of all ac-
23 counts reflected in consumers’ credit files.

24 (D) Consumer reports play an increasingly
25 important role in the lives of American con-

1 sumers. Most creditors, for example, review
2 these reports to make decisions about whether
3 to extend credit to consumers and what terms
4 and conditions to offer them. As such, informa-
5 tion contained in these reports affects whether
6 a person is able to get a private education loan
7 to pay for college costs, to secure a mortgage
8 loan to buy a home, or to obtain a credit card,
9 as well as the terms and conditions under which
10 consumer credit products or services are offered
11 to them.

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

19 (F) CRAs have a statutory obligation to
20 verify independently the accuracy and complete-
21 ness of information included on the reports that
22 they provide.

23 (G) The nationwide CRAs have failed to
24 establish and follow reasonable procedures, as
25 required by existing law, to establish the max-

1 imum level of accuracy of information contained
2 on consumer reports. Given the repeated fail-
3 ures of these CRAs to comply with accuracy re-
4 quirements on their own, legislation is intended
5 to provide them with detailed guidance improv-
6 ing the accuracy and completeness of informa-
7 tion contained in consumer reports, including
8 procedures, policies, and practices that these
9 CRAs should already be following to ensure full
10 compliance with their existing obligations.

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

20 (I) Current industry practices impose an
21 unfair burden of proof on consumers trying to
22 fix errors on their reports.

23 (J) Consumer reports containing inae-
24 curate or incomplete credit information also un-
25 dermine the ability of creditors and lenders to

1 effectively and accurately underwrite and price
2 credit.

3 (K) Recognizing that credit reporting af-
4 fects the lives of almost all consumers in this
5 country and that the consequences of errors on
6 a consumer report can be catastrophic for a
7 consumer, the Consumer Bureau began accept-
8 ing consumer complaints about credit reporting
9 in October 2012.

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

21 (M) Other common types of credit report-
22 ing complaints submitted to the Consumer Bu-
23 reau related to the improper use of a report,
24 trouble obtaining a report or credit score,

1 CRAs' investigations, and credit monitoring or
2 identity protection.

3 (N) In the fall 2019 "Supervisory High-
4 lights", the Consumer Bureau noted that one or
5 more of the largest CRAs continue to struggle
6 to adequately oversee furnishers to ensure that
7 they were adhering to the CRA's vetting poli-
8 cies and to establish proper procedures to verify
9 public record information.

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

22 (P) A February 2014 Consumer Bureau
23 report titled "Credit Reporting Complaint
24 Snapshot" found that consumers are confused
25 about the extent to which the nationwide CRAs

1 are required to provide them with validation
2 and documentation of a debt that appears on
3 their credit report.

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

24 (R) Unlike most other business relation-
25 ships, where consumers can register their satis-

1 faction or unhappiness with a particular credit
2 product or service simply by taking their busi-
3 ness elsewhere, consumers have no say in
4 whether their information is included in the
5 CRAs databases and limited legal remedies to
6 hold the CRAs accountable for inaccuracies or
7 poor service.

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

19 (2) INCORRECT INFORMATION ON CONSUMER
20 REPORTS.—

21 (A) Consumers are entitled to dispute er-
22 rors on their consumer reports with either the
23 CRA, who issued the report, or directly with
24 furnishers, who supplied the account informa-
25 tion to the CRA, and request that mistakes be

1 deleted or removed. Consumers, who believe an
2 investigation has not correctly resolved their
3 dispute, however, have few options, other than
4 requesting that a statement about the dispute
5 be included with their future reports.

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

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

24 (D) Consumer Bureau examiners have
25 identified repeated deficiencies with the nation-

1 wide CRAs' information collection. In the fall
2 2019 "Supervisory Highlights", the Consumer
3 Bureau noted continued weaknesses with CRAs'
4 methods and processes for assuring maximum
5 possible accuracy in their reports. Examiners
6 also found, with certain exceptions, no quality
7 control policies and procedures in place to test
8 consumer reports for accuracy.

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

19 (F) In the winter 2015 "Supervisory High-
20 lights" released in March 2015, the Consumer
21 Bureau reported that one or more nationwide
22 CRAs failed to adequately fulfill their dispute-
23 handling obligations, including by not for-
24 warding to furnishers all relevant information
25 found in letters and supporting documents sup-

1 plied by consumers when they submitted dis-
2 putes failing to notify consumers that they had
3 completed investigations, and not providing con-
4 sumers with the results of the CRAs' reviews
5 about their disputes.

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

18 (H) Consumers' increasing frustration
19 about the difficulties of trying to fix credit re-
20 porting errors, evidenced through the volume of
21 consumer complaints related to errors sub-
22 mitted to the Consumer Bureau, are also
23 echoed in another Federal Government study
24 issued in January 2015. In the "Report to Con-
25 gress under Section 319 for the Fair and Accu-

1 rate Credit Transactions Act of 2003”, the
2 study found that nearly 70 percent (84 people)
3 of participants from a previous survey that had
4 filed disputes with CRAs continued to believe
5 that at least some of the disputed information
6 remained inaccurate at the time of the follow-
7 up survey. Despite these views, 50 percent (42
8 people) of the survey participants decided to
9 just give up trying to fix the errors, with only
10 45 percent (38 people) of them planning to con-
11 tinue to try to resolve their disputes.

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

23 (i) enhance obligations on furnishers
24 to substantiate information and require
25 furnishers to keep records for the same

1 amount of time that adverse information
2 about these accounts may appear on a per-
3 son's consumer report;

4 (ii) eliminate CRAs' discretion to de-
5 termine the relevancy of materials provided
6 by consumers to support their dispute
7 claims by instead requiring them to pass
8 all material onto furnishers and elimi-
9 nating CRA's discretion to deem some dis-
10 putes frivolous or irrelevant when a con-
11 sumer resubmits a claim that they believe
12 has been inadequately resolved;

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

20 (iv) create a new consumer right to
21 appeal reviews by CRAs and furnishers of
22 the initial disputes.

23 (3) INJUNCTIVE RELIEF.—

24 (A) Despite the fact that the FCRA cur-
25 rently provides implicit authority for injunctive

1 relief, consumers have been prevented from ex-
2 exercising this right against CRAs. Legislation
3 explicitly clarifying this right is intended to un-
4 derscore congressional intent that injunctive re-
5 lief should be viewed as a remedy available to
6 consumers.

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

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

22 (D) Absent explicit authority to issue in-
23 junctions, history suggests that the nationwide
24 CRAs are likely to continue conducting business
25 as usual in treating any monetary settlements

1 with individual consumers and fines imposed by
2 State attorneys general and Federal regulators,
3 simply as the “cost of doing business”.

4 (4) CREDIT SCORES.—

5 (A) While nationwide CRAs are required
6 by law to supply consumers with a free copy of
7 their credit report annually, they can charge
8 consumers to obtain a credit score disclosure.

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

20 (C) A February 2015 Consumer Bureau
21 report titled “Consumer Voices on Credit Re-
22 ports and Scores” found that consumers had
23 questions about what actions to take to improve
24 their scores once they had seen them, sug-
25 gesting that additional disclosures and edu-

1 cational content would be helpful to consumers.
2 The Consumer Bureau found that consumers
3 were confused by conflicting advice on how to
4 improve their scores.

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

11 (5) PRIVATE EDUCATION LOANS.—

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

1 (B) Although private student loan holders
2 may allow a borrower to postpone payments
3 while enrolled in school full-time, many limit
4 this option to a certain time period, usually 48
5 to 66 months. This limited time period may not
6 be sufficient for those who need additional time
7 to obtain their degree or who want to continue
8 their education by pursuing a graduate or profes-
9 sional degree. The Consumer Bureau found
10 that borrowers who were unable to make pay-
11 ments often defaulted or had their accounts
12 sent to collections before they were even able to
13 graduate.

14 (6) DECEPTIVE PRACTICES AT CERTAIN PRO-
15 PRIETARY EDUCATION INSTITUTIONS AND CAREER
16 EDUCATION PROGRAMS.—

17 (A) NCLC cited the proliferation of law
18 enforcement actions against many for-profit
19 schools in its June 2014 report, titled “Ensuring
20 Educational Integrity: 10 Steps to Improve
21 State Oversight of For-profit Schools”, to dem-
22 onstrate the pervasive problem in this sector of
23 targeting low-income students with deceptive
24 high-pressure sales techniques involving inflated
25 job placement rates and misleading data on

1 graduate wages, and false representations about
2 the transferability of credits and the employ-
3 ability of graduates in occupations that require
4 licensure. Student loan borrowers at these
5 schools may be left with nothing but worthless
6 credentials and large debt. Those who default
7 on their student loans face years with damaged
8 credit that will adversely impact their ability to
9 rent or buy homes, purchase cars, and find em-
10 ployment.

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

20 (C) Attending a 2-year, for-profit college
21 costs, on average, four times as much as at-
22 tending a community college. Students at for-
23 profit colleges represent only about 11 percent
24 of the total higher education population but a
25 startling 44 percent of all Federal student loan

1 defaults, according to the United States De-
2 partment of Education (“DOE”).

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

16 (E) As highlighted in a press release titled
17 “Obama Administration Announces Final Rules
18 to Protect Students from Poor-Performing Ca-
19 reer College Programs”, that was issued by the
20 DOE on October 30, 2014, “[t]oo often, stu-
21 dents at career colleges—including thousands of
22 veterans—are charged excessive costs, but don’t
23 get the education they paid for. Instead, stu-
24 dents in such programs are provided with poor
25 quality training, often for low-wage jobs or in

1 occupations where there are simply no job op-
2 portunities. They find themselves with large
3 amounts of debt and, too often, end up in de-
4 fault. In many cases, students are drawn into
5 these programs with confusing or misleading in-
6 formation.”.

7 (7) MEDICAL DEBT.—

8 (A) Research by the Consumer Bureau has
9 found that the inclusion of medical collections
10 on consumer reports has unfairly reduced con-
11 sumers’ credit scores.

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

1 qualify for credit and, if so, the terms and con-
2 ditions under which it is extended to them.

3 (C) The Consumer Bureau found that half
4 of all collections trade lines that appear on con-
5 sumer reports are related to medical bills
6 claimed to be owed to hospitals and other med-
7 ical providers. These trade lines affect the re-
8 ports of nearly one-fifth of all consumers in the
9 credit reporting system.

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

20 (E) Medical bills can be complex and con-
21 fusing for many consumers, which results in
22 consumers' uncertainty about what they owe, to
23 whom, when, or for what, that may cause some
24 people, who ordinarily pay their bills on time, to
25 delay or withhold payments on their medical

1 debts. This uncertainty can also result in med-
2 ical collections appearing on consumer reports.
3 In a December 2014 report titled “Consumer
4 Credit Reports: A Study of Medical and Non-
5 Medical Collections”, the Consumer Bureau
6 found that a large portion of consumers with
7 medical collections show no other evidence of fi-
8 nancial distress and are consumers who ordi-
9 narily pay their other financial obligations on
10 time. Unlike with most credit products or serv-
11 ices, such as credit cards, installment loans,
12 utilities, or wireless or cable services that have
13 contractual account disclosures describing the
14 terms and conditions of use, most consumers
15 are not told what their out-of-pocket medical
16 costs will be in advance. Consumers needing ur-
17 gent or emergency care rarely know, or are pro-
18 vided, the cost of a medical treatment or proce-
19 dure before the service is rendered.

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

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

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

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

22 (J) While the CRAs appear to be volun-
23 tarily adopting policy changes on a nationwide
24 basis, they are not obligated to do so for con-

1 sumers who reside in States that are not party
2 to any of the consent orders.

3 (K) As a result of the settlement agree-
4 ments, the three nationwide CRAs will set a
5 180-day waiting period before including medical
6 collections on a report and will remove a med-
7 ical collection from a report once it is paid by
8 an insurance company. While this change will
9 benefit many, once a medical collection appears
10 on a report, it will only be deleted or suppressed
11 if it is found to have been the insurance com-
12 pany's obligation to pay and the insurer pays it.
13 Given the research showing there is little pre-
14 dictive value in medical debt information, med-
15 ical collections that are paid or settled should
16 quickly be removed from a report, regardless of
17 who pays or settles this debt.

18 (8) FINANCIAL ABUSE BY KNOWN PERSONS.—

19 (A) Financial abuse and exploitation are
20 frequently associated with domestic violence.
21 This type of abuse may result in fraudulent
22 charges to a credit card or having fraudulent
23 accounts created by the abuser in the survivor's
24 name that could affect ratings by CRAs. Finan-
25 cial abuse may also result in the survivor's in-

1 ability to make timely payments on their valid
2 obligations due to loss or changes in income
3 that can occur when their abuser steals from or
4 coerces the survivor to relinquish their pay-
5 checks or savings that could affect ratings by
6 CRAs.

7 (B) By racking up substantial debts in the
8 survivor's name, abusers are able to exercise fi-
9 nancial control over their survivors to make it
10 economically difficult for the survivor, whose
11 credit is often destroyed, to escape the situa-
12 tion.

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

21 (D) Providing documentation of identity
22 ("ID") theft in order to dispute information on
23 one's consumer report can be particularly chal-
24 lenging for those who know their financial
25 abuser.

1 (E) While it is easier for consumers who
2 obtain a police report to remove fraudulent in-
3 formation from their consumer report and pre-
4 vent it from reappearing in the future, accord-
5 ing to the Empire Justice Center, safety and
6 other noncredit concerns may impact the capac-
7 ity of a survivor of financial abuse committed
8 by a known person to turn to law enforcement
9 to get a police report.

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

19 (9) DECEPTIVE AND MISLEADING MARKETING
20 PRACTICES.—

21 (A) The Consumer Bureau’s February
22 2015 report titled “Consumer Voices on Credit
23 Reports and Scores” found that some con-
24 sumers did not obtain a copy of their consumer
25 report due to concerns about security or of

1 being trapped into purchasing unwanted prod-
2 ucts like an additional report or a credit moni-
3 toring service.

4 (B) In January 2017, the Consumer Bu-
5 reau fined TransUnion and Equifax for decep-
6 tively marketing credit scores for purchase by
7 consumers as the same credit scores typically
8 used by lenders to determine creditworthiness
9 and for luring consumers into costly subscrip-
10 tion services that were advertised as “free” or
11 “\$1” that automatically charged recurring fees
12 unless cancelled by consumers. The Consumer
13 Bureau also found that Equifax was illegally
14 advertising its products on webpages that con-
15 sumers accessed through
16 AnnualCreditReport.com before consumers ob-
17 tained their free disclosures. Because of these
18 troubling practices, TransUnion was ordered to
19 pay \$13.9 million in restitution to harmed con-
20 sumers and a civil penalty of \$3 million to the
21 Consumer Bureau. Equifax was ordered to pay
22 more than \$3.7 million to affected consumers
23 as well as a civil money penalty of \$2.5 million
24 to the Consumer Bureau. As part of the con-
25 sent orders, the CRAs are also supposed to

1 change the way that they sell their products to
2 consumers. The CRAs must also obtain con-
3 sumers' express consent before enrolling them
4 into subscription services as well as make it
5 easier for consumers to cancel these programs.

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

19 (D) The Consumer Bureau's January and
20 March 2017 consent orders with the three na-
21 tionwide CRAs show that these CRAs have en-
22 ticed consumers into purchasing products and
23 services that they may not want or need, in
24 some instances by advertising products or serv-
25 ices "free" that automatically converted into an

1 ongoing subscription service at the regular price
2 unless cancelled by the consumer. Although
3 these CRAs must now change their deceptive
4 marketing practices, codifying these duties is an
5 appropriate way to ensure that these companies
6 never revert back to such misleading tactics.

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

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

23 (10) CLARITY IN CREDIT SCORING.—

24 (A) The February 2015 report of the Bu-
25 reau of Consumer Financial Protection titled

1 “Consumer Voices on Credit Reports and
2 Scores” found that some consumers are reluc-
3 tant to comparison shop for loans and other
4 types of consumer credit products out of fear
5 that they will lower their credit scores by doing
6 so.

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

15 (C) The Bureau of Consumer Financial
16 Protection revealed that consumers with accu-
17 rate perceptions of their creditworthiness may
18 be better equipped to shop for favorable credit
19 terms.

20 (11) CREDIT CHECKS AND EMPLOYMENT DECI-
21 SIONS.—

22 (A) The use of consumer reports as a fac-
23 tor in making hiring decisions has been found
24 to be prevalent in a diverse array of occupa-

1 tions, and is not limited to certain high-level
2 management or executive positions.

3 (B) According to the California Labor
4 Federation, only 25 percent of employers re-
5 searched the credit history of job applicants in
6 1998. However, this practice had increased to
7 43 percent by 2006 and to 60 percent by 2011.

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

24 (D) Despite the absence of data showing a
25 correlation between job performance and credit-

1 worthiness, employers continue to use credit
2 checks as a proxy for assessing character and
3 integrity. According to a 2012 Society for
4 Human Resource Management survey, organi-
5 zations indicated that they used credit checks
6 on job candidates primarily to reduce or prevent
7 theft and embezzlement and to minimize legal
8 liability for negligent hiring.

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

19 (F) A September 2014 report by the New
20 York City Council’s Committee on Civil Rights
21 noted that, for those who have been unemployed
22 for an extended period of time and whose credit
23 has suffered as they fell behind on bills, the use
24 of credit reports in the hiring process can exac-

1 erbate and perpetuate an already precarious sit-
2 uation.

3 (G) In a March 2013 Demos report titled
4 “Discredited: How Employment Credit Checks
5 Keep Out Qualified Workers Out of a Job”, one
6 in four survey participants who were unem-
7 ployed said that a potential employer had re-
8 quested to check their credit report as part of
9 a job application. Among job applicants with
10 blemished credit histories in the survey, one in
11 seven had been told that they were not being
12 hired because of their credit history.

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

20 (I) Some negative information on a report
21 may stem from uncontrollable circumstances, or
22 significant life events in a consumer’s life, such
23 as a medical crisis or a divorce. Demos found
24 that poor credit is associated with household
25 unemployment, lack of health coverage, and

1 medical debt, which are factors that reflect eco-
2 nomic conditions in the country and personal
3 misfortune that have little relationship with how
4 well a job applicant would perform at work.

5 (J) In October 2011, FICO noted that
6 from 2008 to 2009 approximately 50 million
7 people experienced a 20-point drop in their
8 credit scores and about 21 million saw their
9 scores decline by more than 50 points. While
10 the Great Recession reduced many consumers'
11 credit scores due to foreclosures and other fi-
12 nancial hardships, the financial crisis had a
13 particularly harsh impact on African Americans
14 and Latinos, as racial and ethnic minorities and
15 communities of color were frequently targeted
16 by predatory mortgage lenders who steered bor-
17 rowers into high-cost subprime loans, even when
18 these borrowers would have qualified for less
19 costly prime credit.

20 (K) A May 2006 Brookings Institution re-
21 port titled "Credit Scores, Reports, and Getting
22 Ahead in America" found that counties with a
23 relatively higher proportion of racial and ethnic
24 minorities in the United States tended to have
25 lower credit scores compared with counties that

1 had a lower concentration of communities of
2 color.

3 (L) Studies have consistently found that
4 African American and Latino households tend,
5 on average, to have lower credit scores than
6 White households. The growing use of credit
7 checks, therefore, may disproportionately screen
8 otherwise qualified racial and ethnic minorities
9 out of jobs, leading to discriminatory hiring
10 practices, and further exacerbating the trend
11 where unemployment for African American and
12 Latino communities is elevated well above the
13 rate of Whites.

14 (M) A 2012 Demos survey found that 65
15 percent of White respondents reported having
16 good or excellent credit scores while over half of
17 African American households reported only hav-
18 ing fair or bad credit.

19 (12) DECEPTIVE AND MISLEADING MARKETING
20 PRACTICES.—

21 (A) The Consumer Bureau’s February
22 2015 report titled “Consumer Voices on Credit
23 Reports and Scores” found that some con-
24 sumers did not obtain a copy of their consumer
25 report due to concerns about security or of

1 being trapped into purchasing unwanted prod-
2 ucts like an additional report or a credit moni-
3 toring service.

4 (B) In January 2017, the Consumer Bu-
5 reau fined TransUnion and Equifax for decep-
6 tively marketing credit scores for purchase by
7 consumers as the same credit scores typically
8 used by lenders to determine creditworthiness
9 and for luring consumers into costly subscrip-
10 tion services that were advertised as “free” or
11 “\$1” that automatically charged recurring fees
12 unless cancelled by consumers. The Consumer
13 Bureau also found that Equifax was illegally
14 advertising its products on webpages that con-
15 sumers accessed through
16 AnnualCreditReport.com before consumers ob-
17 tained their free disclosures. Because of these
18 troubling practices, TransUnion was ordered to
19 pay \$13.9 million in restitution to harmed con-
20 sumers and a civil penalty of \$3 million to the
21 Consumer Bureau. Equifax was ordered to pay
22 more than \$3.7 million to affected consumers
23 as well as a civil money penalty of \$2.5 million
24 to the Consumer Bureau. As part of the con-
25 sent orders, the CRAs are also supposed to

1 change the way that they sell their products to
2 consumers. The CRAs must also obtain con-
3 sumers' express consent before enrolling them
4 into subscription services as well as make it
5 easier for consumers to cancel these programs.

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

19 (D) The Consumer Bureau's January and
20 March 2017 consent orders with the three na-
21 tionwide CRAs show that these CRAs have en-
22 ticed consumers into purchasing products and
23 services that they may not want or need, in
24 some instances by advertising products or serv-
25 ices "free" that automatically converted into an

1 ongoing subscription service at the regular price
2 unless cancelled by the consumer. Although
3 these CRAs must now change their deceptive
4 marketing practices, codifying these duties is an
5 appropriate way to ensure that these companies
6 never revert back to such misleading tactics.

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

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

23 (13) PROTECTIONS FOR CONSUMERS' CREDIT
24 INFORMATION.—

1 (A) Despite heightened awareness, inci-
2 dents of ID theft continue to rise. In February
3 2015, the Federal Government reported that ID
4 theft was the top consumer complaint that it
5 received for the 15th consecutive year. As these
6 incidents increase, consumers experience signifi-
7 cant financial loss and emotional distress from
8 the inability to safeguard effectively and inex-
9 pensively their credit information from bad ac-
10 tors.

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

20 (C) Despite the increasing incidents of
21 children's ID theft, parents who want to
22 proactively prevent their children from having
23 their identity stolen, may not be able to do so.
24 Only one of the three nationwide CRAs cur-
25 rently allows parents from any State to set up

1 a freeze for a minor child. At the other two na-
2 tionwide CRAs, parents can only obtain a freeze
3 after a child has become an ID theft victim be-
4 cause, it is only at this point, that these CRAs
5 have an existing credit file for the child. While
6 many States have enacted laws to address this
7 problem, there is no existing Federal law.

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

19 (E) Consumers frequently express concern
20 about the security of their financial informa-
21 tion. According to a 2015 MasterCard survey,
22 a majority of consumers (77 percent) have anx-
23 iety about the possibility that their financial in-
24 formation and Social Security numbers may be
25 stolen or compromised, with about 55 percent

1 of consumers indicating that they would rather
2 have naked pictures of themselves leaked online
3 than have their financial information stolen.

4 (F) That survey also revealed that con-
5 sumers' fears about the online security of their
6 financial information even outweighed con-
7 sumers' worries about other physical security
8 dangers such as having their houses robbed (59
9 percent) or being pickpocketed (46 percent).

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

21 **SEC. 4. EFFECTIVE DATE.**

22 Except as otherwise specified, the amendments made
23 by this Act shall take effect 2 years after the date of the
24 enactment of this Act.

1 **SEC. 5. DISCRETIONARY SURPLUS FUND.**

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

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

9 **TITLE I—IMPROVEMENTS TO**
10 **THE DISPUTE PROCESS**

11 **SEC. 101. DISPUTE PROCEDURES AND DISCLOSURES RE-**
12 **LATING TO REINVESTIGATIONS.**

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

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

18 “(1) REINVESTIGATIONS REQUIRED.—

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

1 “(i) conduct a reasonable reinvestiga-
2 tion using the process described in para-
3 graph (3) to determine whether the dis-
4 puted information is inaccurate, incom-
5 plete, or cannot be verified;

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

12 “(iii) before the end of the 30-day pe-
13 riod beginning on the date on which the
14 consumer reporting agency receives the no-
15 tice of the dispute from the consumer or
16 the reseller—

17 “(I) record the current status of
18 the disputed information; or

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

21 “(B) EXTENSION OF PERIOD TO REINVES-
22 TIGATE.—Except as provided in subparagraph
23 (C), the 30-day period described in subpara-
24 graph (A) may be extended for period not to ex-
25 ceed 15 days if the consumer reporting agency

1 receives additional information from the con-
2 sumer or the reseller regarding the dispute
3 after the date on which the consumer reporting
4 agency notified any person who provided any
5 item of information in dispute under paragraph
6 (2)(A).

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

15 “(2) PROMPT NOTICE OF DISPUTE TO FUR-
16 NISHER OF INFORMATION; PROVISION OF INFORMA-
17 TION REGARDING DISPUTE PROVIDED BY THE CON-
18 SUMER OR RESELLER.—

19 “(A) IN GENERAL.—Before the end of the
20 period of 5 business days beginning on the date
21 on which a consumer reporting agency receives
22 notice of a dispute from any consumer or re-
23 seller under paragraph (1)(A), the consumer re-
24 porting agency shall provide notification of the
25 dispute to any person who provided any item of

1 information in dispute, at the address and in
2 the manner established with such person. The
3 notice shall include all information, including
4 substantiating documents, regarding the dispute
5 that was submitted to the consumer reporting
6 agency.

7 “(B) PROVISION OF ADDITIONAL INFORMA-
8 TION REGARDING DISPUTE AFTER NOTIFICA-
9 TION TO THE FURNISHER OF INFORMATION.—

10 If a consumer reporting agency receives addi-
11 tional information regarding the dispute from
12 the consumer or reseller after the agency pro-
13 vides the notification described under subpara-
14 graph (A) and before the end of the 30-day pe-
15 riod described in paragraph (1)(A), the con-
16 sumer reporting agency shall, not later than 3
17 business days after receiving such information,
18 provide such information to the person who pro-
19 vided the information in dispute.

20 “(3) REASONABLE STANDARDS FOR CONSUMER
21 REPORTING AGENCIES FOR CONDUCTING REINVES-
22 TIGATIONS AND RESOLVING DISPUTES SUBMITTED
23 BY CONSUMERS.—

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

4 “(i) maintain sufficient resources and
5 trained staff, commensurate with the vol-
6 ume and complexity of disputes received or
7 reasonably anticipated to be received, to
8 determine whether the disputed informa-
9 tion is accurate, complete, or can be
10 verified by the person who provided the in-
11 formation;

12 “(ii) ensure that all staff involved at
13 any level of the reinvestigation process, in-
14 cluding any individual with ultimate au-
15 thority over determining whether the dis-
16 puted information is inaccurate, incom-
17 plete, or cannot be verified, are located
18 within the United States;

19 “(iii) verify that the personally identi-
20 fiable information of the consumer submit-
21 ting the dispute matches the personally
22 identifiable information contained in the
23 consumer’s file, and that such information
24 is accurate and complete;

1 “(iv) verify that the consumer report-
2 ing agency has a record of the information
3 being disputed; and

4 “(v) conduct a reasonable review that
5 considers all information, including sub-
6 stantiating documents, provided by the
7 consumer or reseller.

8 “(B) CONSUMER REPORTING.—The con-
9 sumer reporting agency shall not impose any
10 limitation or otherwise impede the ability of a
11 consumer to submit information about the dis-
12 puted item.

13 “(C) INDEPENDENT ANALYSIS.—The re-
14 investigation conducted under subparagraph
15 (A) shall be an independent analysis, separate
16 from any investigation by a reseller or a person
17 who provided the disputed information.

18 “(D) DELETION OR MODIFICATION OF IN-
19 FORMATION CONTAINED IN A CONSUMER
20 FILE.—If the disputed information is found to
21 be inaccurate, incomplete, or cannot be verified,
22 the dispute resolution staff of the consumer re-
23 porting agency shall have the direct authority to
24 delete or modify such information in the con-
25 sumer’s file, as appropriate, during the 30-day

1 period described in paragraph (1)(A), shall
2 promptly notify the consumer of the results of
3 the reinvestigation as described in paragraph
4 (4), and shall promptly notify any person who
5 provided such information to the consumer re-
6 porting agency of the modification or deletion
7 made to the consumer's file.

8 “(4) NOTICE TO CONSUMER OF RESULTS OF
9 REINVESTIGATION.—

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

18 “(B) CONTENTS OF NOTICE TO CONSUMER
19 OF RESULTS OF REINVESTIGATION.—The notice
20 described in subparagraph (A) shall include—

21 “(i) a statement that the reinvestiga-
22 tion of the disputed information has been
23 completed;

24 “(ii) a statement informing the con-
25 sumer as to whether the disputed informa-

1 tion was determined to be inaccurate, in-
2 complete, or unverifiable, including a state-
3 ment of the specific reasons supporting the
4 determination;

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

8 “(I) a copy of the consumer re-
9 port and credit score or educational
10 score (if applicable) that is based
11 upon the consumer’s revised file;

12 “(II) a statement identifying the
13 specific information from the con-
14 sumer’s file that was deleted or modi-
15 fied because such information was de-
16 termined to be inaccurate, incomplete,
17 or unverifiable by the consumer re-
18 porting agency;

19 “(III) a statement that the con-
20 sumer has the right, free of charge, to
21 obtain an additional consumer report
22 and credit score or educational credit
23 score (if applicable) within the 12-
24 month period following the date of the
25 conclusion of the reinvestigation, re-

1 regardless of whether the consumer ob-
2 tained or will obtain a free annual
3 consumer report and credit score or
4 educational score (if applicable) under
5 section 612; and

6 “(IV) a statement that the con-
7 sumer has the right, free of charge, to
8 request under subsection (d) that the
9 consumer reporting agency furnish
10 notifications of the consumer’s revised
11 report;

12 “(iv) a description of the procedure
13 used by the dispute resolution staff of the
14 consumer reporting agency to determine
15 the accuracy or completeness of the infor-
16 mation, including the business name, mail-
17 ing address, telephone number, and Inter-
18 net website address (if available) of any
19 person who provided information who was
20 contacted by the staff in connection with
21 the determination;

22 “(v) a statement that the consumer
23 has the right, free of charge, to add a nar-
24 rative statement to the consumer’s file dis-
25 puting the accuracy or completeness of the

1 information, regardless of the results of
2 the reinvestigation by the agency, and the
3 process for submitting such a narrative
4 pursuant to subsection (b);

5 “(vi) a copy of all information relating
6 to the consumer that was used by the con-
7 sumer reporting agency in carrying out the
8 reinvestigation and relied upon as the basis
9 for the determination about the accuracy
10 and completeness of the disputed informa-
11 tion;

12 “(vii) a statement that a consumer
13 may, free of charge, challenge the results
14 of the reinvestigation by appeal within 120
15 days after the date the notice of the results
16 of the reinvestigation was provided to the
17 consumer and the process for submitting
18 an appeal;

19 “(viii) a statement informing the con-
20 sumer that a notation described in section
21 605(e) will be added to the file of the con-
22 sumer during the period in which the con-
23 sumer appeals the results of a reinvestiga-
24 tion and that such notation can be re-
25 moved at the request of the consumer; and

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

3 “(5) REQUIREMENTS RELATING TO REINSER-
4 TION OF PREVIOUSLY DELETED OR MODIFIED MATE-
5 RIAL.—

6 “(A) CERTIFICATION OF NEW DETERMINA-
7 TION THAT ITEM IS ACCURATE OR COM-
8 plete.—A consumer reporting agency may not
9 reinsert into a consumer’s file any information
10 that was previously deleted or modified pursu-
11 ant to paragraph (3)(D), unless the person who
12 provided the information—

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

15 “(ii) submits a written certification
16 that the information is accurate and com-
17 plete; and

18 “(iii) provides a statement describing
19 the specific reasons why the information
20 should be inserted.

21 “(B) NOTICE TO CONSUMER BEFORE RE-
22 INSERTION CAN OCCUR.—Upon receipt of a re-
23 quest for reinsertion of disputed information
24 under subparagraph (A), the consumer report-
25 ing agency shall, not later than 5 business days

1 before the consumer reporting agency reinserts
2 the information into the consumer's file, notify
3 the consumer in writing of such request for re-
4 insertion. Such notice shall include—

5 “(i) the business name, mailing ad-
6 dress, telephone number, and Internet
7 website address (if available) of any person
8 who provided information to or contacted
9 the consumer reporting agency in connec-
10 tion with the reinsertion;

11 “(ii) a copy of the information relat-
12 ing to the consumer, the certification that
13 the information is accurate or complete,
14 and the statement of the reasons sup-
15 porting reinsertion provided by the person
16 who provided the information to the con-
17 sumer reporting agency under subpara-
18 graph (A);

19 “(iii) a statement that the consumer
20 may obtain, free of charge and within the
21 12-month period following the date the no-
22 tice under this subparagraph was issued, a
23 consumer report and credit score or edu-
24 cational score (if applicable) from the con-
25 sumer reporting agency that includes the

1 reinserted information, regardless of
2 whether the consumer obtained or will ob-
3 tain a free annual consumer report and
4 credit score or educational credit score (if
5 applicable) under section 612;

6 “(iv) a statement that the consumer
7 may appeal the determination that the pre-
8 viously deleted or modified information is
9 accurate or complete and a description of
10 the procedure for the consumer to make
11 such an appeal pursuant to subsection (i);
12 and

13 “(v) a statement that the consumer
14 has the right to add a narrative statement,
15 free of charge, to the consumer’s file dis-
16 puting the accuracy or completeness of the
17 disputed information and a description of
18 the process to add such a narrative state-
19 ment pursuant to subsection (b).

20 “(6) EXPEDITED DISPUTE RESOLUTION.—If a
21 consumer reporting agency determines that the in-
22 formation provided by the consumer is sufficient to
23 substantiate that the item of information is inac-
24 curate, incomplete, or cannot be verified by the per-
25 son who furnished such information, and the con-

1 consumer reporting agency deletes or modifies such in-
2 formation within 3 business days of receiving notice
3 of the dispute, the consumer reporting agency shall
4 be exempt from the requirements of paragraph (4),
5 if the consumer reporting agency provides to the
6 consumer—

7 “(A) prompt notice confirming the deletion
8 or modification of the information from the con-
9 sumer’s file in writing or by other means, if
10 agreed to by the consumer when the informa-
11 tion is disputed;

12 “(B) a statement of the consumer’s right
13 to request that the consumer reporting agency
14 furnish notifications of a revised consumer re-
15 port pursuant to subsection (d);

16 “(C) not later than 5 business days after
17 deleting or modifying the information, a copy of
18 the consumer report and credit score or edu-
19 cational score (if applicable) that is based upon
20 the consumer’s revised file; and

21 “(D) a statement that the consumer may
22 obtain, free of charge and within the 12-month
23 period following the date the notice under this
24 paragraph was sent to the consumer, a con-
25 sumer report and credit score or educational

1 score (if applicable) from the consumer report-
2 ing agency, regardless of whether the consumer
3 obtained or will obtain their free annual con-
4 sumer report and credit score or educational
5 score (if applicable) under section 612.

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

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

1 (c) INCLUDING SPECIALTY CONSUMER REPORTING
2 AGENCIES IN REPORTS.—

3 (1) IN GENERAL.—Section 611(e) of the Fair
4 Credit Reporting Act (15 U.S.C. 1681i(e)) is
5 amended by inserting “or 603(x)” after “section
6 603(p)”.

7 (2) TECHNICAL AMENDMENT.—Section
8 611(e)(1) of the Fair Credit Reporting Act (15
9 U.S.C. 1681i(e)(1)) is amended by striking “The
10 Commission” and inserting “The Bureau”.

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

14 (1) in section 605B(c)(2), by striking “section
15 611(a)(5)(B)” and inserting “section 611(a)(5)”;

16 (2) in section 611—

17 (A) in subsection (e), by striking “unless
18 there is reasonable grounds to believe that it is
19 frivolous or irrelevant,”; and

20 (B) in subsection (f)(3)—

21 (i) in subparagraph (A), by striking
22 “paragraph (6), (7), or (8) of subsection
23 (a)” and inserting “paragraph (4) or (5) of
24 subsection (a)”;

1 (ii) in subparagraph (B), by striking
2 “in the manner required under paragraph
3 (8)(A)”; and

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

6 (e) GLOBAL TECHNICAL CORRECTIONS TO REF-
7 ERENCES TO NATIONWIDE SPECIALTY CONSUMER RE-
8 PORTING AGENCY.—The Fair Credit Reporting Act (15
9 U.S.C. 1681 et seq.) is further amended—

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

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

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

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

18 “(h) INCREASED CONSUMER AWARENESS OF DIS-
19 PUTE RIGHTS.—

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

24 “(A) establish an Internet website acces-
25 sible to consumers; and

1 “(B) post on the home page of such
2 website a hyperlink to a separate webpage es-
3 tablished and maintained solely for the purpose
4 of providing information to a consumer about
5 how to dispute an item of information in the
6 consumer report of the consumer.

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

11 “(A) may not include any type or form of
12 marketing, advertising, information, or material
13 associated with any products or services offered
14 or sold to consumers;

15 “(B) shall clearly and conspicuously dis-
16 close a concise statement regarding how to file
17 a dispute through the agency, free of charge, in
18 the manner and format prescribed by the Bu-
19 reau;

20 “(C) shall describe the types of documents
21 that will be used by the agency in resolving the
22 dispute, including the business name and mail-
23 ing address to which a consumer may send such
24 documents;

1 “(D) shall include a clear and concise ex-
2 planation of and the process for using electronic
3 or other means to submit such documents, free
4 of charge, and without any character or data
5 limitation imposed by the agency;

6 “(E) shall include a statement that the
7 consumer may submit information, free of
8 charge, that the consumer believes will assist
9 the consumer reporting agency in determining
10 the results of the reinvestigation of the dispute;

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

23 “(G) shall provide translations of all infor-
24 mation on the webpage in each of the 10 most
25 commonly spoken languages, other than

1 English, in the United States, as determined by
2 the Bureau of the Census on an ongoing basis,
3 and in formats accessible to individuals with
4 hearing or vision impairments.”.

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

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

9 “(f) DUTY OF FURNISHERS TO MAINTAIN RECORDS
10 OF CONSUMERS.—

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

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

1 “(3) TRANSFER OF OWNERSHIP.—If a person
2 providing information to a consumer reporting agen-
3 cy is acquired by another person, or if another per-
4 son acquires the right to repayment connected to
5 such information, the acquiring person shall be sub-
6 ject to the requirements of this subsection with re-
7 spect to such information to the same extent as the
8 person who initially provided such information to the
9 consumer reporting agency. The person selling or
10 transferring the right to repayment shall provide the
11 information described in paragraph (1) to the trans-
12 feree or the acquirer.”.

13 **SEC. 104. DUTIES OF FURNISHERS RELATING TO DISPUTE**
14 **PROCEDURES, NOTICES, AND DISCLOSURES.**

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

18 (1) in the subsection heading, by inserting

19 “AND COMPLETE” after “ACCURATE”;

20 (2) in paragraph (1)—

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

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

25 (3) in paragraph (8)—

1 (A) in subparagraph (A), by inserting
2 “and completeness” after “accuracy”; and

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

5 (b) NEGATIVE INFORMATION NOTICES TO CON-
6 SUMERS.—Section 623(a)(7) of the Fair Credit Reporting
7 Act (15 U.S.C. 1681s–2(a)(7)) is amended to read as fol-
8 lows:

9 “(7) DUTY OF FURNISHERS TO INFORM CON-
10 SUMERS ABOUT REPORTING NEGATIVE INFORMA-
11 TION.—

12 “(A) GENERAL NEGATIVE INFORMATION
13 WARNING NOTICE TO ALL CONSUMERS PRIOR
14 TO FURNISHING SUCH INFORMATION.—

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

1 may furnish any negative information re-
2 lating to such a consumer.

3 “(ii) CONTENT.—Such notice shall—

4 “(I) be clear and conspicuous;

5 “(II) describe the types of activi-
6 ties that constitute negative informa-
7 tion;

8 “(III) inform the consumer that
9 the person may report negative infor-
10 mation relating to any such accounts
11 or transactions to a consumer report-
12 ing agency described in subsection (p)
13 or (x) of section 603;

14 “(IV) state that the negative in-
15 formation may appear on a consumer
16 report of the consumer for the periods
17 described in section 605 and that dur-
18 ing such periods, the negative infor-
19 mation may adversely impact the con-
20 sumer’s credit score;

21 “(V) state that in some limited
22 circumstances, the negative informa-
23 tion may result in other adverse ac-
24 tions, including a denial of a new job

1 or a promotion from existing employ-
2 ment; and

3 “(VI) state that the consumer
4 has right to—

5 “(aa) obtain a copy of their
6 consumer report and credit score
7 or educational score (if applica-
8 ble), which in some instances can
9 be obtained free of charge, from
10 any consumer reporting agency
11 to which negative information
12 may be been sent; and

13 “(bb) dispute, free of
14 charge, any errors on a consumer
15 report relating to the consumer.

16 “(iii) TIMING OF NOTICE.—Such per-
17 son shall provide such notice to a consumer
18 not later than 90 days before the date on
19 which the person furnishes negative infor-
20 mation relating to such consumer.

21 “(B) SPECIFIC NEGATIVE INFORMATION
22 NOTICE TO A CONSUMER.—

23 “(i) IN GENERAL.—Any person de-
24 scribed in subparagraph (A) that has fur-
25 nished negative information relating to ac-

1 tivity on any accounts of a consumer held
2 by such person or transactions associated
3 with credit extended to a consumer by such
4 person to a consumer reporting agency de-
5 scribed in subsection (p) or (x) of section
6 603 shall send a written notice to each
7 such consumer.

8 “(ii) CONTENT.—Such notice shall—

9 “(I) be clear and conspicuous;

10 “(II) inform the consumer that
11 the person has furnished negative in-
12 formation relating to such accounts or
13 transactions to a consumer reporting
14 agency described in subsection (p) or
15 (x) of section 603;

16 “(III) identify any consumer re-
17 porting agency to which the negative
18 information was furnished, including
19 the name of the agency, mailing ad-
20 dress, Internet website address, and
21 toll-free telephone number; and

22 “(IV) include the statements de-
23 scribed in subclauses (IV), (V), and
24 (VI) of subparagraph (A)(ii).

1 “(iii) TIME OF NOTICE.—Such person
2 shall provide such notice to a consumer not
3 later than 5 business days after the date
4 on which the person furnished negative in-
5 formation relating to such consumer.

6 “(C) NOTICE EFFECTIVE FOR SUBSE-
7 QUENT SUBMISSIONS.—After providing the no-
8 tice described in subparagraph (B), the person
9 may submit additional negative information to
10 a consumer reporting agency described in sub-
11 section (p) or (x) of section 603 without pro-
12 viding additional notice to the consumer, unless
13 another person acquires the right to repayment
14 connected to the additional negative informa-
15 tion. The acquiring person shall be subject to
16 the requirements of this paragraph and shall be
17 required to send consumers the written notices
18 described in this paragraph, if applicable.

19 “(D) NON-TRADITIONAL DATA FUR-
20 NISHERS.—Any person that furnishes negative
21 information to a consumer reporting agency de-
22 scribed in subsection (p) or (x) of section 603
23 relating to any accounts of, or transactions as-
24 sociated with, a consumer by such person in-
25 volving non-traditional data shall be subject to

1 the requirements described in subparagraphs
2 (A), (B), and (C).

3 “(E) MODEL NOTICES.—

4 “(i) DUTY OF BUREAU.—Not later
5 than 6 months after date of the enactment
6 of this paragraph, the Bureau shall issue
7 model forms for the notices described in
8 subparagraphs (A) and (B) that a person
9 may use to comply with the requirements
10 of this paragraph.

11 “(ii) USE OF MODEL NOTICE NOT RE-
12 QUIRED.—No provision of this paragraph
13 may be construed to require a person to
14 use the model notices prescribed by the
15 Bureau.

16 “(iii) COMPLIANCE USING MODEL NO-
17 TICES.—A person shall be deemed to be in
18 compliance with the requirements of sub-
19 paragraph (A)(ii) or (B)(ii) (as applicable)
20 if the person uses the model notice pre-
21 scribed by the Bureau.

22 “(F) ISSUANCE OF GENERAL NEGATIVE
23 WARNING NOTICE WITHOUT SUBMITTING NEGA-
24 TIVE INFORMATION.—No provision of this para-
25 graph may be construed to require a person de-

1 scribed in subparagraph (A) or (D) to furnish
2 negative information about a consumer to a
3 consumer reporting agency described in sub-
4 section (p) or (x) of section 603.

5 “(G) SAFE HARBOR.—A person shall not
6 be liable for failure to perform the duties re-
7 quired by this paragraph if the person reason-
8 ably believes that the person is prohibited, by
9 law, from contacting the consumer.

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

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

17 “(i) NEGATIVE INFORMATION.—The
18 term ‘negative information’ means infor-
19 mation concerning a consumer’s delin-
20 quencies, late payments, insolvency, or any
21 form of default.

22 “(ii) NON-TRADITIONAL DATA.—The
23 term ‘non-traditional data’ relates to tele-
24 communications payments, utility pay-
25 ments, rent payments, remittances, wire

1 transfers, and such other items as deter-
2 mined by the Bureau.”.

3 (c) DUTIES OF FURNISHERS AFTER RECEIVING NO-
4 TICE OF DISPUTE FROM A CONSUMER.—Section
5 623(a)(8)(E) of the Fair Credit Reporting Act (15 U.S.C.
6 1681s-2(a)(8)(E)) is amended to read as follows:

7 “(E) DUTIES OF FURNISHERS AFTER RE-
8 CEIVING NOTICE OF DISPUTE FROM A CON-
9 SUMER.—After receiving a notice of dispute
10 from a consumer pursuant to subparagraph
11 (D), the person that provided the information
12 in dispute to a consumer reporting agency
13 shall—

14 “(i) promptly provide to each con-
15 sumer reporting agency to which the per-
16 son furnished the disputed information the
17 notice of dispute;

18 “(ii) review all information, including
19 any substantiating documents, provided by
20 the consumer about the disputed informa-
21 tion and conduct an investigation, separate
22 from any reinvestigation by a consumer re-
23 porting agency or a reseller conducted with
24 respect to the disputed information;

1 “(iii) before the expiration of the pe-
2 riod under section 611(a)(1) within which
3 a consumer reporting agency would be re-
4 quired to complete its action if the con-
5 sumer had elected to dispute the informa-
6 tion under that section, complete an inves-
7 tigation of the disputed information pursu-
8 ant to the standards described in subpara-
9 graph (G);

10 “(iv) notify the consumer, in writing,
11 of the receipt of the dispute that in-
12 cludes—

13 “(I) a statement about any infor-
14 mation additional to the information
15 that the person is required to main-
16 tain under subsection (f) that would
17 support the person’s ability to carry
18 out an investigation to resolve the
19 consumer’s dispute; and

20 “(II) a statement that the con-
21 sumer reporting agency to which the
22 disputed information was provided will
23 include a notation described in section
24 605(e) in the consumer’s file until the
25 investigation has been completed, and

1 information about how a consumer
2 may request that such notation is re-
3 moved by the agency;

4 “(v) if the investigation determines
5 the disputed information is inaccurate, in-
6 complete, or unverifiable, promptly notify
7 each consumer reporting agency to which
8 the person furnished such information in
9 accordance with paragraph (2); and

10 “(vi) notify the consumer of the re-
11 sults of the investigation, in writing, in ac-
12 cordance with subparagraph (H).”.

13 (d) ELIMINATING FURNISHERS’ AUTHORITY TO DIS-
14 MISS DISPUTES AS FRIVOLOUS OR IRRELEVANT.—Section
15 623(a)(8) of the Fair Credit Reporting Act (15 U.S.C.
16 1681s–2(a)(8)) is amended by striking subparagraph (F)
17 and redesignating subparagraph (G) as subparagraph (F).

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

22 “(G) REASONABLE STANDARDS FOR FUR-
23 NISHERS FOR CONDUCTING INVESTIGATIONS
24 AND RESOLVING DISPUTES SUBMITTED BY CON-
25 SUMERS.—In any investigation conducted by a

1 person who furnishes information to a con-
2 sumer reporting agency of an item of informa-
3 tion being disputed by a consumer, the person,
4 at a minimum—

5 “(i) shall maintain sufficient resources
6 and trained staff, commensurate with the
7 volume and complexity of disputes received
8 or reasonably anticipated to be received, to
9 conduct investigations;

10 “(ii) shall verify that the person has a
11 record of the particular information being
12 disputed, consistent with the requirements
13 of subsection (f);

14 “(iii) shall verify that the personally
15 identifiable information of the consumer
16 submitting the dispute matches the person-
17 ally identifiable information contained on
18 such records;

19 “(iv) shall conduct a reasonable re-
20 view to determine whether the disputed in-
21 formation is accurate, complete, and can
22 be verified that considers all the informa-
23 tion, including any substantiating docu-
24 ments, provided by the consumer about the
25 disputed information;

1 “(v) shall ensure that the investiga-
2 tion is an independent analysis that is sep-
3 arate from any reinvestigation by a con-
4 sumer reporting agency or a reseller con-
5 ducted with respect to the disputed infor-
6 mation; and

7 “(vi) may not impose any limitations
8 or otherwise impede the ability of a con-
9 sumer to submit information, including
10 any substantiating documents, about the
11 disputed information.

12 “(H) CONTENTS OF THE NOTICE TO THE
13 CONSUMER ABOUT THE RESULTS OF THE IN-
14 VESTIGATION BY THE FURNISHER.—The notice
15 of the results of the investigation described in
16 subparagraph (E) shall include—

17 “(i) 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;

21 “(ii) a statement of the specific rea-
22 sons supporting the results of the inves-
23 tigation;

24 “(iii) a description of the procedure
25 used by the dispute resolution staff of the

1 person who furnishes information to a con-
2 sumer reporting agency to determine the
3 accuracy or completeness of the informa-
4 tion, including the business name, mailing
5 address, telephone number, and Internet
6 website address (if available) of any person
7 who was contacted by the staff in connec-
8 tion with the determination;

9 “(iv) a copy of all information relating
10 to the consumer that was used in carrying
11 out the investigation and was the basis for
12 any determination about the accuracy or
13 completeness of the disputed information;

14 “(v) a statement that consumer will
15 receive, free of charge, a copy of their con-
16 sumer report and credit score or edu-
17 cational credit score (if applicable), from
18 any consumer reporting agency to which
19 the disputed information had been pro-
20 vided, regardless of whether the consumer
21 obtained or will obtain a free consumer re-
22 port and credit score or educational credit
23 score (if applicable) in the 12-month period
24 preceding receipt of the notice described in

1 this subparagraph pursuant to section
2 612(a)(1);

3 “(vi) if the disputed information was
4 found to be inaccurate, incomplete, or un-
5 verifiable, a statement that the consumer
6 report of the consumer shall be revised to
7 reflect the change to the consumer’s file as
8 a result of the investigation;

9 “(vii) a statement that the consumer
10 has the right to appeal the results of the
11 investigation under paragraph (10), free of
12 charge, within 120 days after the date of
13 the notice of the results of the investiga-
14 tion was provided to the consumer and the
15 process for submitting an appeal;

16 “(viii) a statement that the consumer
17 may add a narrative statement, free of
18 charge, to the consumer’s file held by the
19 consumer reporting agency to which the in-
20 formation has been furnished disputing the
21 accuracy or completeness of the informa-
22 tion, regardless of the results of the inves-
23 tigation by the person, and the process for
24 contacting any agency that received the

1 consumer's information from the person to
2 submit a narrative statement;

3 “(ix) a statement informing the con-
4 sumer that a notation described in section
5 605(e) will be added to the consumer's file
6 during the period in which the consumer
7 appeals the results of an investigation and
8 that such notation can be removed at the
9 request of the consumer; and

10 “(x) a statement that the consumer
11 has the right to request a copy of their
12 consumer report and credit score or edu-
13 cational credit score (if applicable), free of
14 charge, within the 12-month period fol-
15 lowing the date of the conclusion of the in-
16 vestigation from any consumer reporting
17 agency in which the disputed information
18 had been provided, regardless of whether
19 the consumer obtained or will obtain a free
20 annual consumer report and credit score or
21 educational credit score (if applicable)
22 under this subparagraph or section
23 612(a)(1).”.

24 (f) CONFORMING AMENDMENT.—Section
25 615(a)(4)(B) is amended—

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

3 (2) by striking “furnished by the agency” and
4 inserting “to a consumer reporting agency under
5 section 611 or to a person who furnished informa-
6 tion to an agency under section 623”.

7 **SEC. 105. RIGHT TO APPEAL DISPUTES RELATING TO RE-**
8 **INVESTIGATIONS AND INVESTIGATIONS.**

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

13 (1) in subsection (b), by inserting “or if the
14 consumer is unsatisfied with the results of an appeal
15 conducted under subsection (i),” after “resolve the
16 dispute,”; and

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

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

21 “(1) IN GENERAL.—Within 120 days after the
22 date of receipt of the results of a reinvestigation
23 conducted under subsection (a), a consumer (or au-
24 thorized third party) may, free of charge, appeal the

1 results of such reinvestigation by submitting a notice
2 of appeal to the consumer reporting agency.

3 “(2) NOTICE OF APPEAL.—

4 “(A) REQUIREMENTS.—A notice of appeal
5 described in paragraph (1) may be submitted in
6 writing, or through a toll-free telephone number
7 or other electronic means established by the
8 consumer reporting agency (including on the
9 Internet website described in subsection (h)),
10 and—

11 “(i) shall identify the information con-
12 tained in the consumer’s file that is the
13 subject of the appeal;

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

16 “(iii) may provide any information the
17 consumer believes is relevant to substan-
18 tiate the validity of the dispute.

19 “(B) CONSUMER REPORTING AGENCY NO-
20 TICE TO CONSUMER.—Upon receipt of such no-
21 tice of appeal, the consumer reporting agency
22 shall promptly provide to the consumer a state-
23 ment confirming the receipt of the consumer’s
24 notice of appeal that shall include—

1 “(i) an approximate date on which the
2 consumer’s appeal review will be com-
3 pleted;

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

6 “(iii) an employee reference number
7 or other employee identifier for each of the
8 specific individuals designated by the con-
9 sumer reporting agency who, upon the re-
10 quest of the consumer, may discuss the
11 substance and status of the appeal.

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

14 “(A) IN GENERAL.—Not later than 20
15 days after receiving a notice of appeal, the con-
16 sumer reporting agency shall review the appeal.
17 If the consumer reporting agency determines
18 the information is inaccurate, incomplete, or
19 cannot be verified, the consumer reporting
20 agency shall delete or modify the item of infor-
21 mation being disputed by the consumer from
22 the file of the consumer before the end of the
23 20-day period beginning on the date on which
24 the consumer reporting agency receives a notice
25 of an appeal from the consumer.

1 “(B) NOTICE OF APPEAL TO FURNISHER;
2 INFORMATION REGARDING DISPUTE PROVIDED
3 BY THE CONSUMER.—

4 “(i) IN GENERAL.—Before the end of
5 the period of 3 business days beginning on
6 the date on which a consumer reporting
7 agency receives a notice of appeal, the con-
8 sumer reporting agency shall provide no-
9 tice of the appeal, including all information
10 relating to the specific appeal that the con-
11 sumer reporting agency has received from
12 the consumer, to any person who provided
13 any information in dispute.

14 “(ii) PROVISION OF ADDITIONAL IN-
15 FORMATION REGARDING THE DISPUTE.—If
16 the consumer reporting agency receives ad-
17 ditional information from the consumer
18 after the agency provides the notice re-
19 quired under clause (i) and before the end
20 of the 20-day period described in subpara-
21 graph (A), the consumer reporting agency
22 shall, not later than 3 business days after
23 receiving such information, provide such
24 information to any person who provided
25 the information in dispute and shall have

1 an additional 10 business days to complete
2 the appeal review.

3 “(C) MINIMUM STANDARDS FOR APPEALS
4 EMPLOYEES.—

5 “(i) DESIGNATION.—Upon receipt of
6 a notice of appeal under paragraph (1), a
7 consumer reporting agency shall designate
8 one or more specific employees who—

9 “(I) shall be assigned an em-
10 ployee reference number or other em-
11 ployee identifier that can be used by
12 the consumer to discuss the appeal
13 with the specific individuals handling
14 the appeal;

15 “(II) shall have direct authority
16 to resolve the dispute that is the sub-
17 ject of the notice of appeal from the
18 review stage to its completion;

19 “(III) shall meet minimum train-
20 ing and ongoing certification require-
21 ments at regular intervals, as estab-
22 lished by the Bureau;

23 “(IV) shall be located within the
24 United States;

1 “(V) may not have been involved
2 in the reinvestigation conducted or
3 terminated pursuant to subsection (a);
4 and

5 “(VI) may not be subject to any
6 requirements linking incentives, in-
7 cluding promotion, to the number of
8 appeals processed within a certain
9 time period.

10 “(ii) REQUIREMENTS.—Such employ-
11 ees shall conduct a robust review of the ap-
12 peal and make a determination regarding
13 the accuracy and completeness of the dis-
14 puted information by—

15 “(I) conducting an independent
16 analysis, separate from any investiga-
17 tion by a reseller or person who pro-
18 vided the disputed information, and
19 separate from any prior reinvestiga-
20 tion conducted by the consumer re-
21 porting agency of the disputed infor-
22 mation;

23 “(II) verifying that the personally
24 identifiable information of the con-
25 sumer submitting the dispute matches

1 the personally identifiable information
2 contained on the consumer's file;

3 “(III) analyzing the notice of ap-
4 peal and all information, including
5 any substantiating documents, pro-
6 vided by the consumer with the notice
7 of appeal;

8 “(IV) evaluating the validity of
9 any information submitted by any
10 person that was used by the consumer
11 reporting agency in the reinvestigation
12 of the initial dispute;

13 “(V) verifying that the consumer
14 reporting agency has a record of the
15 information being disputed; and

16 “(VI) applying any additional
17 factors or investigative processes, as
18 specified by the Bureau.

19 “(D) NOTICE OF APPEAL RESULTS.—Not
20 later than 5 days after the end of the 20-day
21 period described under subparagraph (A) (or
22 the 10-day extension period, as applicable) the
23 consumer reporting agency shall provide the
24 consumer with written notice of the results of
25 the appeal by postal mail or, if requested by the

1 consumer, by other means. The contents of
2 such notice shall include—

3 “(i) a statement that the appeal is
4 completed and the date on which it was
5 completed, the results of the appeal, and
6 the specific reasons supporting the results
7 of the appeal;

8 “(ii) a copy of all information relating
9 to the consumer that was used as a basis
10 for deciding the results of the appeal;

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

14 “(iv) a description of the procedure
15 used to determine the accuracy and com-
16 pleteness of the information, including the
17 business name, telephone number, mailing
18 address, and Internet website address (if
19 applicable) of any person who provided in-
20 formation that was contacted in connection
21 with such information, if reasonably avail-
22 able;

23 “(v) information describing that the
24 consumer may submit a statement, without
25 charge, disputing the accuracy or com-

1 pleteness of information in the consumer’s
2 file that was the subject of an appeal
3 under this subsection by submitting a
4 statement directly to each consumer re-
5 porting agency that received the informa-
6 tion;

7 “(vi) a description of the consumer’s
8 rights pursuant to subsection (d) (relating
9 to furnishing notifications to certain users
10 of consumer reports); and

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

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

1 refusal and describing any information the con-
2 sumer is required to provide for the agency to
3 conduct a review of the appeal.”.

4 (b) APPEALS OF INVESTIGATIONS CONDUCTED BY
5 FURNISHERS OF INFORMATION.—Section 623(a) of the
6 Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)) is
7 amended by adding at the end the following new para-
8 graph:

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

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

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

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

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

6 “(iii) may include any information, in-
7 cluding substantiating documents, the con-
8 sumer believes is relevant to the appeal.

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

11 “(i) before the end of the period of 3
12 business days beginning on the date on
13 which the furnisher receives the notice of
14 appeal, notify each consumer reporting
15 agency to which the person furnished such
16 information a statement identifying the
17 items of information that a consumer is
18 appealing; and

19 “(ii) notify the consumer confirming
20 the receipt of the consumer’s notice of ap-
21 peal, including an approximate date when
22 the consumer’s appeal will be completed,
23 the process and procedures by which a re-
24 view of the appeal will be conducted, and
25 the specific individual designated by the

1 consumer reporting agency who, upon the
2 request of the consumer, may discuss the
3 substance and status of the appeal.

4 “(D) FURNISHER REQUIREMENTS UPON
5 RECEIPT OF NOTICE OF APPEAL.—Not later
6 than 20 days after receiving a notice of appeal,
7 the furnisher shall determine whether the item
8 of information being disputed by the consumer
9 is inaccurate, incomplete, or cannot be verified,
10 and shall notify the consumer reporting agency
11 of the determination. If the furnisher cannot
12 verify the accuracy or completeness of the dis-
13 puted information, the furnisher shall, before
14 the end of the 20-day period beginning on the
15 date on which the furnisher receives notice of
16 an appeal from the consumer, submit instruc-
17 tions to the consumer reporting agency that the
18 item of information being disputed by the con-
19 sumer should be deleted from the file of the
20 consumer.

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

1 “(i) shall be assigned an employee ref-
2 erence number or other employee identifier
3 that can be used by the consumer to dis-
4 cuss the appeal with the specific individ-
5 uals handling the appeal;

6 “(ii) shall have direct authority to re-
7 solve the dispute that is the subject of the
8 notice of appeal on behalf of the furnisher
9 from the review stage to its completion;

10 “(iii) shall meet minimum training
11 and ongoing certification requirements at
12 regular intervals, as established by the Bu-
13 reau;

14 “(iv) may not have been involved in
15 an investigation conducted pursuant to
16 paragraph (8); and

17 “(v) may not be subject to any re-
18 quirements linking incentives, including
19 promotion, to the number of appeals proc-
20 essed within a certain time period.

21 “(F) REQUIREMENTS FOR APPEALS PROC-
22 ESS.—Such employees shall conduct a robust
23 review of the appeal and make a determination
24 regarding the accuracy and completeness of the
25 disputed information by—

1 “(i) conducting an independent anal-
2 ysis, separate from any reinvestigation by
3 a reseller or consumer reporting agency, of
4 the disputed information;

5 “(ii) verifying that the personally
6 identifiable information related to the dis-
7 pute is accurate and complete;

8 “(iii) analyzing the notice of appeal
9 and all information, including substan-
10 tiating documents, provided by the con-
11 sumer with the notice of appeal;

12 “(iv) evaluating the validity of any in-
13 formation submitted by any person that
14 was used by the furnisher in the initial in-
15 vestigation into the dispute;

16 “(v) verifying that the information
17 being disputed relates to the consumer in
18 whose file the information is located;

19 “(vi) verifying that the furnisher has
20 a record of the information being disputed;
21 and

22 “(vii) applying any additional factors
23 or investigative processes, as specified by
24 the Bureau.

1 “(G) EXTENSION OF REVIEW PERIOD.—If
2 a consumer submits additional information re-
3 lated to the appeal after the period of 3 busi-
4 ness days described in subparagraph (C)(i) and
5 before the end of the 20-day period described in
6 subparagraph (D), the furnisher shall have an
7 additional 10 business days to complete the re-
8 view of the appeal.

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

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

23 “(ii) a copy of all information relating
24 to the consumer that was used as a basis
25 for deciding the results of the appeal;

1 “(iii) if the appeal results in any
2 change to the consumer report, a notifica-
3 tion that the consumer shall receive a copy,
4 free of charge, of a revised consumer re-
5 port (based upon the consumer’s file as
6 that file was changed as a result of the ap-
7 peal) and a credit score or educational
8 credit score (if applicable) from each con-
9 sumer reporting agency that had been fur-
10 nished incorrect information;

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

20 “(v) information describing that the
21 consumer may submit a statement, without
22 charge, disputing the accuracy or com-
23 pleteness of information in the consumer’s
24 file that was the subject of an appeal
25 under this paragraph by submitting a

1 statement directly to each consumer re-
2 porting agency that received the informa-
3 tion; and

4 “(vi) a notification that the consumer
5 may request the furnisher to submit to
6 each consumer reporting agency the con-
7 sumer’s request to furnish notifications
8 pursuant to section 611(d) (relating to fur-
9 nishing notifications to certain users of
10 consumer reports).”.

11 (c) TECHNICAL AMENDMENT.—Section 623(a)(8)(A)
12 of the Fair Credit Reporting Act (15 U.S.C. 1681s-
13 2(a)(8)(A)) is amended by striking “reinvestigate” and in-
14 serting “investigate”.

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

18 (1) in subsection (c)—

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

21 (B) in the subsection heading, by striking
22 “RIGHTS TO OBTAIN AND DISPUTE INFORMA-
23 TION IN CONSUMER REPORTS AND TO OBTAIN
24 CREDIT SCORES” and inserting “KEY CON-
25 SUMER REPORTING RIGHTS”; and

1 (C) in paragraph (1)—

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

4 (ii) in subparagraph (B)—

5 (I) in clause (ii), by striking “a
6 consumer report without charge under
7 section 612” and inserting “consumer
8 reports and credit scores or edu-
9 cational credit scores (as applicable)
10 without charge under section 612”;

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

13 (III) by striking clauses (iv) and
14 (vi);

15 (IV) by inserting after clause (iii)
16 the following new clause:

17 “(iv) the right of a consumer to ap-
18 peal a determination of a reinvestigation
19 conducted by a consumer reporting agency
20 under section 611(i) or an investigation
21 conducted by a furnisher of information
22 under section 623(a)(10);” and

23 (V) by adding at the end the fol-
24 lowing new clause:

1 “(vi) the method and circumstances
2 under which consumers can obtain a 1-
3 year fraud alert, 7-year fraud alert, active
4 duty alert, or security freeze as described
5 in section 605A through a consumer re-
6 porting agency described under section
7 603(p).”;

8 (iii) in subparagraph (C) (as amended
9 by subparagraph (A)) by inserting “and
10 the Commission” after “Bureau”; and

11 (iv) by adding at the end the following
12 new subparagraph:

13 “(D) PUBLICATION OF SUMMARY
14 RIGHTS.—A consumer reporting agency de-
15 scribed under subsection (p) or (x) of section
16 603 shall display in a clear and conspicuous
17 manner, including on the Internet website of
18 the consumer reporting agency, the summary of
19 rights prepared by the Bureau under this para-
20 graph.”; and

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

23 **SEC. 106. REVISED CONSUMER REPORTS.**

24 Section 611 of the Fair Credit Reporting Act (15
25 U.S.C. 1681i), as amended by section 105(a)(2), is further

1 amended by adding at the end the following new sub-
2 section:

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

10 **SEC. 107. INDICATION OF DISPUTE BY CONSUMERS AND**
11 **USE OF DISPUTED INFORMATION.**

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

14 “(f) INDICATION OF DISPUTE.—

15 “(1) IN GENERAL.—A consumer reporting
16 agency shall include in any consumer report based
17 on the consumer’s file a notation identifying any
18 item of information that is currently in dispute by
19 the consumer if—

20 “(A) a consumer disputes the completeness
21 or accuracy of any item of information con-
22 tained in a consumer’s file pursuant to section
23 611(a)(1);

1 “(B) a consumer files with a consumer re-
2 porting agency an appeal of a reinvestigation
3 pursuant to section 611(i); or

4 “(C) the consumer reporting agency is no-
5 tified by a person that furnished any items of
6 information that are currently in dispute by the
7 consumer that—

8 “(i) a consumer disputes the com-
9 pleteness or accuracy of any information
10 furnished by a person to any consumer re-
11 porting agency pursuant to paragraph (3)
12 or (8) of section 623(a); or

13 “(ii) a consumer submits a notice of
14 appeal under section 623(a)(10).

15 “(2) OPT OUT.—A consumer may submit a re-
16 quest to a consumer reporting agency or a person
17 who furnished the information in dispute, as applica-
18 ble, to have the notation described in paragraph (1)
19 omitted from the consumer report. Upon receipt of
20 such a request—

21 “(A) by a consumer reporting agency, such
22 agency shall remove the notation within 1 busi-
23 ness day; and

24 “(B) by a person who furnished the infor-
25 mation in dispute, such person shall submit

1 such request to each consumer reporting agency
2 to which the person furnished such information
3 within 1 business day and such agency shall re-
4 move the notation within 1 business day of re-
5 ceipt of such request.”.

6 **SEC. 108. ACCURACY AND COMPLETENESS REPORT DUTIES**
7 **FOR CONSUMER REPORTING AGENCIES AND**
8 **FURNISHERS.**

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

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

12 “(1) IN GENERAL.—In preparing a consumer
13 report, a consumer reporting agency shall maintain
14 reasonable procedures to ensure maximum possible
15 accuracy and completeness of the information con-
16 cerning the individual to whom the consumer report
17 relates.

18 “(2) BUREAU RULE TO ASSURE MAXIMUM POS-
19 SIBLE ACCURACY AND COMPLETENESS WITH CREDIT
20 REPORTING PRACTICES.—

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

1 “(B) REQUIREMENTS.—In formulating the
2 rule required under subparagraph (A), the Bu-
3 reau shall—

4 “(i) develop standards for matching
5 the personally identifiable information in-
6 cluded in the consumer’s file with the per-
7 sonally identifiable information furnished
8 by the person who provided the informa-
9 tion to the consumer reporting agency
10 (hereafter in this subsection referred to as
11 the ‘furnisher’), including the full name of
12 a consumer, the date of birth of a con-
13 sumer, the full social security number of a
14 consumer, and any other information that
15 the Bureau determines would aid in assur-
16 ing maximum possible accuracy and com-
17 pleteness of such consumer reports;

18 “(ii) establish processes for a con-
19 sumer reporting agency to monitor the in-
20 tegrity of the data provided by furnishers
21 and the compliance of furnishers with the
22 requirements of this title;

23 “(iii) establish processes for a con-
24 sumer reporting agency to regularly rec-
25 oncile data relating to accounts in collec-

1 tion, including those that have not been
2 paid in full, by specifying the cir-
3 cumstances under which the consumer re-
4 porting agency shall remove or suppress
5 negative or adverse information from a
6 consumer's file that has not been updated
7 by a furnisher who is also a debt collector
8 (as defined in section 803 of the Fair Debt
9 Collection Practices Act) within the time
10 period established by the Bureau;

11 “(iv) establish procedures to require
12 each consumer reporting agency to review
13 and monitor the quality of information re-
14 ceived from any source, including informa-
15 tion from public records, by regularly and
16 on an ongoing basis comparing the infor-
17 mation received to the information avail-
18 able from the original source and ensuring
19 that the information received is the most
20 current information;

21 “(v) develop standards and procedures
22 for consumer reporting agencies to identify
23 furnishers that repeatedly fail to provide
24 accurate and complete information, to take
25 corrective action against such furnishers,

1 and to reject information submitted by
2 such furnishers;

3 “(vi) develop standards and proce-
4 dures for consumer reporting agencies to
5 adopt regarding collection of public record
6 data, including standards and procedures
7 to consider the ultimate data source, how
8 the public record information is filed and
9 its availability and accessibility, and wheth-
10 er information relating to the satisfaction
11 of judgments or other updates to the pub-
12 lic record are available on a reasonably
13 timely basis from a particular source; and

14 “(vii) establish any other factors, pro-
15 cedures, or processes determined by the
16 Bureau to be necessary to assist consumer
17 reporting agencies in achieving maximum
18 possible accuracy and completeness of the
19 information in consumer reports.

20 “(3) CORRECTIVE ACTION FOR FURNISHERS
21 THAT REPEATEDLY FURNISH INACCURATE OR IN-
22 COMPLETE INFORMATION.—Upon identifying a fur-
23 nisher that repeatedly fails to furnish accurate, com-
24 plete, or verifiable information to consumer report-
25 ing agencies, the Bureau shall—

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

4 “(B) take corrective action, which may in-
5 clude—

6 “(i) mandatory revised training and
7 training materials for the staff of the fur-
8 nisher regarding the furnishing of accurate
9 and complete information;

10 “(ii) sharing industry best practices
11 and procedures regarding accuracy and
12 completeness; or

13 “(iii) temporarily prohibiting a fur-
14 nisher from providing information to a
15 consumer reporting agency.”.

16 **SEC. 109. INCLUSION OF PUBLIC RECORD DATA SOURCES**
17 **IN CONSUMER REPORTS.**

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

21 “(3) PUBLIC RECORD DATA SOURCE.—Any con-
22 sumer reporting agency that furnishes a consumer
23 report that contains public record data shall also in-
24 clude in such report the source from which that data
25 was obtained, including the particular court, if any,

1 and the date that the data was initially reported or
2 publicized.”.

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

4 (a) IN GENERAL.—The Fair Credit Reporting Act
5 (15 U.S.C. 1681 et seq.) is amended—

6 (1) in section 616—

7 (A) in subsection (a), by amending the
8 subsection heading to read as follows: “DAM-
9 AGES”;

10 (B) by redesignating subsections (c) and
11 (d) as subsections (d) and (e), respectively; and

12 (C) by inserting after subsection (b) the
13 following new subsection:

14 “(c) INJUNCTIVE RELIEF.—In addition to any other
15 remedy set forth in this section, a court may award injunc-
16 tive relief to require compliance with the requirements im-
17 posed under this title with respect to any consumer. In
18 the event of any successful action for injunctive relief
19 under this subsection, the court may award to the pre-
20 vailing party costs and reasonable attorney fees (as deter-
21 mined by the court) incurred during the action by such
22 party.”; and

23 (2) in section 617—

1 (A) in subsection (a), by amending the
2 subsection heading to read as follows: “DAM-
3 AGES”;

4 (B) by redesignating subsection (b) as sub-
5 section (c); and

6 (C) by inserting after subsection (a) the
7 following new subsection:

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

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

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

23 (2) by inserting “negligent, willful, or” before
24 “knowing”.

1 **TITLE II—FREE CREDIT SCORES**
2 **FOR CONSUMERS**

3 **SEC. 201. DEFINITIONS.**

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

7 “(bb) CREDIT SCORE AND EDUCATIONAL CREDIT
8 SCORE DEFINITIONS.—

9 “(1) CREDIT SCORE.—The term ‘credit score’
10 means a numerical value or a categorization derived
11 from a statistical tool or modeling system used by a
12 person who makes or arranges a loan or extends
13 credit to predict the likelihood of certain credit be-
14 haviors, including default, as determined by the Bu-
15 reau.

16 “(2) EDUCATIONAL CREDIT SCORE.—The term
17 ‘educational credit score’ means a numerical value or
18 categorization derived from a statistical tool or mod-
19 eling system based upon information from a con-
20 sumer report that assists consumers in under-
21 standing how a lender or creditor may view the con-
22 sumer’s creditworthiness in deciding whether to
23 make a loan or extend credit to that consumer.

24 “(3) KEY FACTORS.—The term ‘key factors’
25 means any relevant elements or reasons affecting the

1 credit score for the particular individual, listed in
2 the order of importance based on the effect of each
3 element or reason on the credit score or educational
4 credit score.

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

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

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

13 (2) in section 615—

14 (A) by striking “as defined in section
15 609(f)(2)(A)” each place that term appears;
16 and

17 (B) in subsection (a)(2)(B), by striking
18 “set forth in subparagraphs (B) through (E) of
19 section 609(f)(1)” and inserting “with respect
20 to a credit score described in section 609(f)(2),
21 if available”.

22 **SEC. 202. CONSUMER INFORMATION ON CALCULATION OF**
23 **SCORES.**

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

1 “(f) DISCLOSURE OF CREDIT SCORE AND EDU-
2 CATIONAL CREDIT SCORE BY CONSUMER REPORTING
3 AGENCIES.—

4 “(1) IN GENERAL.—Upon the request of a con-
5 sumer for a credit score or educational credit score,
6 a consumer reporting agency shall supply to the con-
7 sumer a statement—

8 “(A) containing—

9 “(i) a current credit score at the time
10 of the request generated using a commonly
11 used credit scoring model to generate cred-
12 it scores, subject to regulations of the Bu-
13 reau;

14 “(ii) an educational credit score at the
15 time of the request, if it is not practicable
16 to generate such a credit score, as deter-
17 mined by the Bureau; or

18 “(iii) an explanation that the con-
19 sumer’s file does not have sufficient infor-
20 mation from which to generate such a
21 credit score or educational credit score;
22 and

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

1 “(i) the date on which the credit score
2 was generated;

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

5 “(iii) the credit score itself.

6 “(2) REQUIREMENTS.—A statement provided
7 under clause (i) or (ii) of paragraph (1)(A) shall in-
8 clude—

9 “(A) a minimum of four key factors, if
10 available, that adversely affected the credit
11 score or educational credit score, except that if
12 one of the key factors consists of the number of
13 enquiries made with respect to a consumer re-
14 port, that factor shall be provided to the con-
15 sumer in addition to the factors required by
16 this subparagraph;

17 “(B) to the extent possible, specific actions
18 a consumer could take with respect to each key
19 factor listed in subparagraph (A) to improve
20 the consumer’s credit score or educational cred-
21 it score;

22 “(C) a minimum of four key factors, if
23 available, that positively affected the credit
24 score or educational credit score;

1 “(D) the range of possible credit scores or
2 educational credit scores under the credit scor-
3 ing model used;

4 “(E) the distribution of credit scores or
5 educational credit scores among consumers who
6 are scored under the same credit scoring model
7 by the consumer reporting agency, and using
8 the same scale as that of the score that is pro-
9 vided to a creditor or consumers—

10 “(i) in the form of a bar graph con-
11 taining a minimum of six bars that illus-
12 trates the percentage of consumers with
13 credit scores or educational credit scores
14 within the range of scores represented by
15 each bar; or

16 “(ii) by another clear and readily un-
17 derstandable graphical depiction, state-
18 ment, or illustration comparing the con-
19 sumer’s credit score or educational credit
20 score to the scores of other consumers, as
21 determined by the Bureau;

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

24 “(G) the name of the person that devel-
25 oped the credit scoring model on which the

1 credit score or educational credit score was
2 based.

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

6 “(A) develop or disclose a credit score if
7 the agency does not distribute credit scores
8 used by a person who makes or arranges a loan
9 or extends credit to predict the likelihood of
10 certain credit behaviors; or

11 “(B) develop or disclose an educational
12 credit score if the agency does not develop edu-
13 cational credit scores that assist in under-
14 standing the general credit behavior of a con-
15 sumer and predicting the future credit behavior
16 of the consumer.

17 “(4) MAINTENANCE OF CREDIT SCORES.—

18 “(A) IN GENERAL.—All consumer report-
19 ing agencies shall maintain in the consumer’s
20 file credit scores relating to the consumer for a
21 period of 2 years from the date on which such
22 information is generated.

23 “(B) DISCLOSURE ONLY TO CON-
24 SUMERS.—A past credit score maintained in a
25 consumer’s file pursuant to subparagraph (A)

1 may only be provided to the consumer to which
2 the credit score relates and may not be included
3 in a consumer report or used as a factor in gen-
4 erating a credit score or educational credit
5 score.

6 “(C) REMOVAL OF PAST CREDIT
7 SCORES.—A past credit score maintained in a
8 consumer’s file pursuant to subparagraph (A)
9 shall be removed from the consumer’s file after
10 the end of the 2-year period described under
11 subparagraph (A).”.

12 **SEC. 203. DISCLOSURES RELATING TO CREDIT SCORES AND**
13 **EDUCATIONAL CREDIT SCORES.**

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

18 “(5) WEBSITE DISCLAIMER.—A consumer re-
19 porting agency that generates or provides credit
20 scores or educational credit scores shall clearly and
21 conspicuously display on the home page of the agen-
22 cy’s Internet website, and as part of any application,
23 solicitation, or marketing material or media pro-
24 viding information related to a credit score or edu-
25 cational credit score, the following notice, in boldface

1 type of 18-point font or larger and in a text box
2 with boldface outer borders:

3 **“CREDIT SCORE DISCLAIMER.**

4 “There is no “one” credit score. There are many
5 scoring formulas derived from a wide variety of models
6 available to a consumer and used by lenders and creditors.
7 Different lenders and creditors use different scoring for-
8 mulas to determine whether to extend credit or make a
9 loan to you, and the terms of the credit or loan. An edu-
10 cational credit score is not a credit score that a person
11 who makes a loan or extends credit to you is likely to use.
12 Educational credit scores are merely intended to be used
13 as an educational tool to help consumers understand how
14 the information contained in a consumer report may affect
15 the terms and conditions of a loan or extension of credit
16 that may be available to a consumer. Lenders and credi-
17 tors may also rely on information not contained in your
18 consumer report and not reflected in the calculation of
19 your credit score.’.

20 “(6) ADDITIONAL REQUIREMENTS FOR EDU-
21 CATIONAL CREDIT SCORES.—

22 “(A) DISCLAIMER.—If an educational
23 credit score is provided pursuant to paragraph
24 (1), a consumer reporting agency shall clearly
25 and conspicuously include in a prominent loca-

1 tion on the statement, in boldface type of 18-
2 point font or larger, and in a text box with
3 boldface outer borders, the following notice:

4 **“EDUCATIONAL CREDIT SCORE DISCLAIMER.**

5 ““The educational credit score provided to you is not
6 a credit score that a lender or creditor is likely to use to
7 make a loan or extend credit to you. There are many dif-
8 ferent credit scores derived from a wide variety of models
9 used by lenders and creditors. An educational credit score
10 is merely an educational tool. It is intended to provide con-
11 sumers with a basic understanding of how the information
12 contained in a consumer report may affect the terms and
13 conditions of credit that are available. The credit scores
14 you receive directly from different lenders and creditors
15 may not be the same as an educational credit score. There
16 are a number of reasons for this:

17 “(1) Each company may use a different for-
18 mula for calculating credit scores and the differences
19 in the formulas may lead to differences in your
20 scores.

21 “(2) Companies may produce scores that give
22 results on different scales.

23 “(3) Not all lenders or creditors report to
24 every consumer reporting agency, and therefore the
25 information contained in your consumer report that

1 the consumer reporting agencies use to calculate
2 your educational credit score may differ among
3 agencies.’.

4 “(B) PROHIBITION ON MISLEADING REP-
5 RESENTATIONS.—A consumer reporting agency
6 may not refer to an educational credit score as
7 a credit score in any application, solicitation,
8 marketing, or other informational materials or
9 media.

10 “(7) MODIFICATION OF DISCLAIMERS.—The
11 Bureau may modify the content, format, and man-
12 ner of the disclaimers required under paragraphs (5)
13 and (6), if warranted, after conducting consumer
14 testing or research.”.

15 **SEC. 204. FREE CREDIT SCORE DISCLOSURES AND CON-**
16 **SUMER REPORTS.**

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

19 (1) in subsection (a)—

20 (A) in paragraph (1)—

21 (i) in subparagraph (A), by inserting
22 after “section 609” the following: “(includ-
23 ing the disclosure of a credit score or edu-
24 cational credit score under subsection (f)
25 of such section)”; and

1 (ii) in subparagraph (C)—

2 (I) by striking “Commission”
3 and inserting “Bureau”; and

4 (II) by inserting “, credit scores,
5 and educational credit scores (as ap-
6 plicable)” after “consumer reports”
7 each place that term appears;

8 (B) in paragraph (2)—

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

11 (ii) by inserting “, credit score, or
12 educational credit score” after “consumer
13 report”;

14 (C) in paragraph (3), by inserting “, credit
15 score, or educational credit score” after “con-
16 sumer report”; and

17 (D) in paragraph (4), by inserting “, credit
18 scores, or educational credit scores” after “con-
19 sumer reports”;

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

24 (3) in subsection (c)—

1 (A) by inserting “(including the disclosure
2 of a credit score or educational credit score
3 under subsection (f) of such section)” after
4 “pursuant to section 609”;

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

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

9 (D) by adding at the end the following new
10 paragraphs:

11 “(4) has disputed information, or submitted an
12 appeal of an investigation or reinvestigation of such
13 information, under section 611 or 623, regardless of
14 whether the consumer has already received a credit
15 report, credit score, or educational credit score
16 under section 611 or 623; or

17 “(5) has had information that was previously
18 deleted under section 611(a)(5) reinserted into the
19 consumer’s file, regardless of whether the consumer
20 has already received a credit report, credit score, or
21 educational credit score under such section.”;

22 (4) in subsection (d), by inserting “(including
23 the disclosure of a credit score or educational credit
24 score under subsection (f) of such section)” after
25 “section 609”;

1 (5) in subsection (f)(1)—

2 (A) by striking “reasonable charge” and
3 all that follows through “section 609” and in-
4 serting “reasonable charge on a consumer for
5 providing a consumer report to a consumer”;

6 (B) by striking subparagraph (B);

7 (C) by redesignating clauses (i) and (ii) as
8 subparagraphs (A) and (B), respectively (and
9 conforming the margins accordingly); and

10 (D) in subparagraph (B) (as so redesis-
11 gnated), by striking “disclosure; and” and insert-
12 ing “disclosure.”; and

13 (6) by adding at the end the following new sub-
14 sections:

15 “(h) CENTRALIZED SOURCE FOR OBTAINING FREE
16 COPY OF CONSUMER REPORT AND SCORES.—

17 “(1) NATIONWIDE CONSUMER REPORTING
18 AGENCIES.—

19 “(A) IN GENERAL.—Not later than 180
20 days after the date of enactment of this sub-
21 section, each consumer reporting agency de-
22 scribed under subsection (p) of section 603
23 shall prominently display on the home page of
24 the agency’s website—

1 “(i) a hyperlink labeled ‘Get Your
2 Free Annual Credit Reports along with ei-
3 ther your Credit Scores or Educational
4 Credit Scores provided for under Federal
5 Law’ or substantially similar text, as deter-
6 mined by the Bureau; and

7 “(ii) a disclosure titled ‘Consumer’s
8 Right to Free Credit Scores, Educational
9 Credit Scores, and Reports under Federal
10 Law’ or substantially similar text, as deter-
11 mined by the Bureau that includes the fol-
12 lowing statement:

13 “‘All consumers are entitled to obtain a free copy of
14 their consumer report and credit score or educational cred-
15 it score annually from each of the nationwide consumer
16 reporting agencies. Under Federal law, a consumer is enti-
17 tled to obtain additional free copies of their consumer re-
18 ports, along with a copy of either the consumer’s credit
19 score or educational credit score (under certain cir-
20 cumstances), including:

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

23 “(2) When a consumer is a recipient of public
24 welfare assistance.

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

4 “(4) When a consumer asserts in good faith a
5 suspicion that the consumer has been or is about to
6 become a victim of identity theft, fraud, or a related
7 crime, or harmed by the unauthorized disclosure of
8 the consumer’s financial or personally identifiable in-
9 formation.

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

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

20 “(7) After an adverse action is taken against
21 a consumer or a consumer receives a risk-based pric-
22 ing notice.

23 “(8) When a mortgage lender, private edu-
24 cational lender, indirect auto lender, or motor vehicle

1 lender obtains and uses a consumer's reports or
2 scores for underwriting purposes.'.

3 “(B) HYPERLINK REQUIREMENTS.—The
4 hyperlink described in subparagraph (A)(i) shall
5 be prominently located on the top of the home
6 page and should link directly to the website of
7 the centralized source established pursuant to
8 section 211(d) of the Fair and Accurate Credit
9 Transactions Act of 2003 (15 U.S.C. 1681j
10 note).

11 “(C) MODIFICATIONS.—The Bureau may
12 modify the disclosure described in subparagraph
13 (A)(ii) as necessary to include other cir-
14 cumstances under which a consumer has the
15 right to receive a free consumer report, credit
16 score, or educational credit score.

17 “(2) NATIONWIDE SPECIALTY CONSUMER RE-
18 PORTING AGENCIES.—

19 “(A) IN GENERAL.—Not later than 180
20 days after the date of enactment of this sub-
21 section, each nationwide specialty consumer re-
22 porting agency shall prominently display on the
23 Internet home webpage of the agency a disclo-
24 sure titled ‘Consumer’s Right to Free Con-
25 sumer Reports and Credit Score or Educational

1 Credit Score (as applicable) under Federal
2 Law'. Such disclosure shall include the fol-
3 lowing statement:

4 “‘Upon request, all consumers are entitled to obtain
5 a free copy of their consumer report and credit score or
6 educational credit score (as applicable) during any 12-
7 month period from each of the nationwide specialty con-
8 sumer reporting agencies. Federal law also provides fur-
9 ther circumstances under which a consumer is entitled to
10 obtain additional free copies of their consumer report and
11 credit score or educational credit score (as applicable) in-
12 cluding:

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

15 “(2) When a consumer is a recipient of public
16 welfare assistance.

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

20 “(4) When a consumer files a dispute or an
21 appeal of the results of a dispute with a consumer
22 reporting agency or a person who furnished informa-
23 tion to the consumer reporting agency regarding the
24 accuracy or completeness of the information con-
25 tained on their report.

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

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

8 “(7) When a mortgage lender, private edu-
9 cational lender, indirect auto lender, or motor vehicle
10 lender obtains and uses a consumer’s reports or
11 scores for underwriting purposes.’.

12 “(B) MODIFICATIONS.—The Bureau may
13 modify the disclosure described in subparagraph
14 (A) as necessary to include other circumstances
15 under which a consumer has the right to receive
16 a free consumer report and credit score or edu-
17 cational credit score (as applicable).

18 “(C) TOLL-FREE TELEPHONE ACCESS.—
19 The information described in this paragraph
20 shall also be made available via a toll-free tele-
21 phone number. Such number shall be promi-
22 nently displayed on the home page of the
23 website of each nationwide specialty consumer
24 reporting agency. Each of the circumstances
25 under which a consumer may obtain a free con-

1 consumer report and credit score or educational
2 credit score (as applicable) shall be presented in
3 an easily understandable format and consumers
4 shall be directed to an individual who is a cus-
5 tomer service representative not later than 2
6 minutes after the initial phone connection is
7 made by the consumer. Information provided
8 through such telephone number shall comply
9 with the requirements of section 633.

10 “(D) ONLINE CONSUMER REPORTS; EX-
11 EMPTION.—Upon receipt of a request by a con-
12 sumer for a consumer report, each nationwide
13 specialty consumer reporting agency shall pro-
14 vide access to such report electronically on the
15 Internet website described in section 611(h).

16 “(i) AUTOMATIC PROVISION OF FREE CONSUMER
17 REPORTS AND CREDIT SCORES OR EDUCATIONAL CREDIT
18 SCORES.—A consumer reporting agency shall provide to
19 a consumer a free copy of the file and credit score or edu-
20 cational credit score of the consumer who—

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

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

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

8 **SEC. 205. PROVISION OF CONSUMER REPORTS AND CREDIT**
9 **SCORES BY PRIVATE EDUCATIONAL LEND-**
10 **ERS.**

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

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

16 “(1) IN GENERAL.—If a private educational
17 lender obtains a copy of any consumer reports or
18 credit scores and uses such reports or scores in con-
19 nection with an application of a consumer for a pri-
20 vate education loan, the private educational lender
21 shall provide to the consumer, not later than 3 busi-
22 ness days after obtaining such reports or scores and
23 before the date on which the consumer enters into
24 a loan agreement with the private educational lend-

1 er, a copy of any such reports or scores, along with
2 the statement described under subsection (f)(2).

3 “(2) COSTS.—None of the costs to the private
4 educational lender associated with procuring con-
5 sumer reports or credit scores under this subsection
6 may be charged, directly or indirectly, to the con-
7 sumer.

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

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

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

22 “(i) DISCLOSURE OF CONSUMER REPORTS AND
23 CREDIT SCORES USED BY MOTOR VEHICLE LENDERS OR
24 INDIRECT AUTO LENDERS.—

1 “(1) IN GENERAL.—If a motor vehicle lender or
2 indirect auto lender obtains a copy of any consumer
3 reports or credit scores and uses such reports or
4 scores in connection with an application of a con-
5 sumer for a motor vehicle loan or lease, the motor
6 vehicle lender or indirect auto lender shall provide to
7 the consumer a document, separate from the con-
8 sumer’s lease or purchase agreement and before the
9 consumer enters into a lease or purchase agreement,
10 disclosing any consumer reports and credit scores,
11 including the statement described in subsection
12 (f)(2), used by the lender to determine whether to
13 extend credit to the consumer.

14 “(2) COSTS.—None of the costs to the motor
15 vehicle lender or indirect auto lender associated with
16 procuring consumer reports or credit scores under
17 this subsection may be charged, directly or indi-
18 rectly, to the consumer.

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 “(4) DEFINITIONS.—

2 “(A) INDIRECT AUTO LENDER.—The term
3 ‘indirect auto lender’ has the meaning given the
4 term by the Bureau, and shall include a person
5 extending a loan made with respect to a car,
6 boat, motorcycle, recreational vehicle, or other
7 similar vehicle used primarily for personal or
8 household purposes.

9 “(B) MOTOR VEHICLE LENDER.—The
10 term ‘motor vehicle lender’ has the meaning
11 given the term by the Board of Governors of
12 the Federal Reserve System, and shall include
13 a person extending a loan made with respect to
14 a car, boat, motorcycle, recreational vehicle, or
15 other similar vehicle used primarily for personal
16 or household purposes.”.

17 **SEC. 207. PROVISION OF CONSUMER REPORTS AND CREDIT**
18 **SCORES BY RESIDENTIAL MORTGAGE LEND-**
19 **ERS.**

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

22 (1) by redesignating paragraph (2) as para-
23 graph (5);

24 (2) in paragraph (1)—

1 (A) by striking “a consumer credit score”
2 and inserting “any consumer reports or credit
3 scores”;

4 (B) by striking “, as defined in subsection
5 (f),”;

6 (C) by striking “the following to the con-
7 sumer as soon as reasonably practicable:” and
8 inserting “, not later than 3 business days after
9 using such reports or scores, a document dis-
10 closing any consumer reports and credit scores
11 used by the lender to determine whether to ex-
12 tend credit to the consumer along with the
13 statement described in subsection (f)(2).”;

14 (D) by striking subparagraphs (A), (B),
15 (C), (E), and (F);

16 (E) by redesignating subparagraph (D) as
17 paragraph (3) (and adjusting the margins ac-
18 cordingly); and

19 (F) by redesignating subparagraph (G) as
20 paragraph (4) (and adjusting the margins ac-
21 cordingly);

22 (3) by inserting before paragraph (3) (as so
23 designated) the following new paragraph:

24 “(2) RULE OF CONSTRUCTION.—Nothing in
25 this subsection shall be construed to eliminate any

1 requirement for lenders to provide credit score dis-
2 closures, including the statement described under
3 subsection (f)(2), to consumers as part of an adverse
4 action or risk-based pricing notice.”;

5 (4) in paragraph (3) (as so designated), in the
6 quoted material—

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

9 (B) by striking “affecting your credit
10 scores” and inserting “affecting your credit
11 score or scores”;

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

15 (6) by adding at the end the following new
16 paragraphs:

17 “(6) ACTIONS NOT REQUIRED.—This subsection
18 shall not require any person to disclose any credit
19 score or related information obtained by the person
20 after a loan has closed.

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

1 **TITLE III—STUDENT BORROWER**
2 **CREDIT IMPROVEMENT ACT**

3 **SEC. 301. REMOVAL OF ADVERSE INFORMATION FOR CER-**
4 **TAIN PRIVATE EDUCATION LOAN BOR-**
5 **ROWERS.**

6 (a) IN GENERAL.—The Fair Credit Reporting Act
7 (15 U.S.C. 1681 et seq.), as amended by section 405, is
8 further amended by inserting after section 605D the fol-
9 lowing new section:

10 **“§ 605E. Credit rehabilitation for distressed private**
11 **education loan borrowers**

12 “(a) IN GENERAL.—A consumer reporting agency
13 may not furnish any consumer report containing any ad-
14 verse item of information relating to a delinquent or de-
15 faulted private education loan of a borrower if the bor-
16 rower has rehabilitated the borrower’s credit with respect
17 to such loan by making nine on-time monthly payments
18 (in accordance with the terms and conditions of the bor-
19 rower’s original loan agreement or any other repayment
20 agreement that antedates the original agreement) during
21 a period of 10 consecutive months on such loan after the
22 date on which the delinquency or default occurred.

23 “(b) INTERRUPTION OF 10-MONTH PERIOD FOR
24 CERTAIN CONSUMERS.—

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

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

18 “(B) With respect to a borrower who re-
19 sides or works in an area affected by a major
20 disaster or emergency declared under the Rob-
21 ert T. Stafford Disaster Relief and Emergency
22 Assistance Act, the grace period shall begin on
23 the initial date of the incident period of the
24 major disaster or emergency and end on the
25 date that is the earlier of—

1 “(i) 6 months after the date on which
2 the major disaster or emergency was de-
3 clared; and

4 “(ii) the later of—

5 “(I) 3 months after the date on
6 which the major disaster or emer-
7 gency was declared; and

8 “(II) the date that the Director
9 of the Bureau, in consultation with
10 the Administrator of the Federal
11 Emergency Management Agency, de-
12 termines is the date on which substan-
13 tially all provision of assistance by the
14 Federal Emergency Management
15 Agency under such major disaster or
16 emergency declaration has concluded.

17 “(2) OTHER CIRCUMSTANCES.—

18 “(A) IN GENERAL.—The Bureau may
19 allow a borrower demonstrating hardship to
20 stop making consecutive monthly payments and
21 be granted a grace period after which the 10-
22 month period described in subsection (a) shall
23 resume.

24 “(B) BORROWER DEMONSTRATING HARD-
25 SHIP DEFINED.—In this paragraph, the term

1 ‘borrower demonstrating hardship’ means a
2 borrower or a class of borrowers who, as deter-
3 mined by the Bureau, is facing or has experi-
4 enced unusual extenuating life circumstances or
5 events that result in severe financial or personal
6 barriers, including homelessness (as defined by
7 the Secretary of Housing and Urban Develop-
8 ment), such that the borrower or class of bor-
9 rowers does not have the capacity to comply
10 with the requirements of subsection (a).

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

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

16 “(2) the method for validating that the bor-
17 rower is satisfying the requirements of subsection
18 (a);

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

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

23 “(B) the requirements described in sub-
24 section (d); and

1 “(C) the restrictions described in sub-
2 section (f);

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

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

7 “(B) the requirements described in sub-
8 section (d);

9 “(5) the method for verifying whether a bor-
10 rower qualifies for the grace period described in sub-
11 section (b);

12 “(6) the manner, content, and form of notifying
13 a consumer reporting agency and private educational
14 loan holder that a borrower was granted a grace pe-
15 riod.

16 “(d) STANDARDIZED REPORTING CODES.—A con-
17 sumer reporting agency shall develop standardized report-
18 ing codes for use by any private educational loan holder
19 to identify and report a borrower’s status of making and
20 completing nine on-time monthly payments during a pe-
21 riod of 10 consecutive months on a delinquent or defaulted
22 private education loan, including codes specifying the
23 grace period described in subsection (b) and any agree-
24 ment to modify monthly payments. 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 consumer’s completion of the rehabilitation period under
3 this section as soon as possible, but in no case later than
4 5 days after such completion.

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

13 “(f) PROHIBITION ON CIVIL ACTIONS FOR CON-
14 SUMERS PURSUING REHABILITATION.—A private edu-
15 cational loan holder may not commence or proceed with
16 any civil action against a borrower with respect to a delin-
17 quent or defaulted loan during the period of rehabilitation
18 if the private educational loan holder has been notified,
19 in accordance with the procedures established by the Bu-
20 reau pursuant to subsection (c)—

21 “(1) of such borrower’s intent to participate in
22 rehabilitation;

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

1 “(3) that such borrower was granted a grace
2 period.

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

10 “(h) PAYMENT PLANS.—If a private educational loan
11 holder enters into a payment plan with a borrower on a
12 private education loan during a period of rehabilitation,
13 such payment plan shall be reasonable and affordable, as
14 determined by the Bureau.

15 “(i) RULES OF CONSTRUCTION.—

16 “(1) APPLICATION TO SUBSEQUENT DEFAULT
17 OR DELINQUENCY.—A borrower who satisfies the re-
18 quirements under subsection (a) shall be eligible for
19 additional credit rehabilitation described in sub-
20 section (a) with respect to any subsequent default or
21 delinquency of the borrower on the rehabilitated pri-
22 vate education loan.

23 “(2) INTERRUPTION OF CONSECUTIVE PAY-
24 MENT PERIOD REQUIREMENT.—The grace period de-
25 scribed in subsection (b)(1)(A) shall not apply if any

1 regulation promulgated under section 987 of title
2 10, United States Code (commonly known as the
3 Military Lending Act), or the Servicemembers Civil
4 Relief Act (50 U.S.C. App. 501 et seq.) allows for
5 a grace period or other interruption of the 10-month
6 period described in subsection (a) and such grace pe-
7 riod or other interruption is longer than the period
8 described in subsection (b)(1)(A) or otherwise pro-
9 vides greater protection or benefit to the borrower
10 who is a member of the Armed Forces.”.

11 (b) TABLE OF CONTENTS AMENDMENT.—The table
12 of contents of the Fair Credit Reporting Act, as amended
13 by section 405, is further amended by inserting after the
14 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.”.

15 (c) CONFORMING AMENDMENT.—Section 623(a)(1)
16 of the Fair Credit Reporting Act (15 U.S.C. 1681s-
17 2(a)(1)) is amended by striking subparagraph (E).

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

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

23 “(cc) PRIVATE EDUCATION LOAN DEFINITIONS.—
24 The terms ‘private education loan’ and ‘private edu-

1 cational lender' have the meanings given such terms, re-
2 spectively, in section 140(a) of the Truth in Lending
3 Act.”.

4 **TITLE IV—CREDIT RESTORA-**
5 **TION FOR VICTIMS OF PRED-**
6 **ATORY ACTIVITIES AND UN-**
7 **FAIR CONSUMER REPORTING**
8 **PRACTICES**

9 **SEC. 401. ADVERSE CREDIT INFORMATION.**

10 (a) IN GENERAL.—Section 605 of the Fair Credit
11 Reporting Act (15 U.S.C. 1681e), as amended by sections
12 107, 109, and 201, is further amended—

13 (1) in subsection (a)—

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

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

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

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

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

25 (F) in paragraph (5)—

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

3 (ii) by striking “seven years” and in-
4 sserting “4 years”; and

5 (G) by adding at the end the following new
6 paragraphs:

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

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

13 “(A) brought by a private education loan
14 holder that, from the date of successful comple-
15 tion of credit restoration or rehabilitation in ac-
16 cordance with the requirements of section 605D
17 or 605E, antedates the report by 45 calendar
18 days; or

19 “(B) brought by a lender with respect to
20 a covered residential mortgage loan (as defined
21 in section 605C(b)) that antedates the report
22 by 45 calendar days.

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

1 “(12) Any other adverse item of information re-
2 relating to the collection of debt that did not arise
3 from a contract or an agreement to pay by a con-
4 sumer, including fines, tickets, and other assess-
5 ments, as determined by the Bureau, excluding tax
6 liability.”;

7 (2) by striking subsection (b) and redesignating
8 subsections (c) through (h) as subsections (b)
9 through (g), respectively; and

10 (3) in subsection (b) (as so redesignated), by
11 striking “7-year period referred to in paragraphs (4)
12 and (6)” and inserting “4-year period referred to in
13 paragraphs (4) and (5)”.

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

16 (1) in section 616(e) (as redesignated by sec-
17 tion 110(a)(1)(B)), by striking “section 605(g)”
18 each place that term appears and inserting “section
19 605(f)”;

20 (2) in section 625(b)(5)(A), by striking “section
21 605(g)” and inserting “section 605(f)”.

22 (c) PROHIBITION ON INCLUSION OF ARREST INFOR-
23 MATION IF THERE IS NO CONVICTION.—Section 605(a)
24 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),

1 as amended by section 809, is further amended by adding
2 at the end the following:

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

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

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

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

18 **SEC. 403. MEDICAL DEBT COLLECTIONS.**

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

24 “(14) Any other adverse item of information re-
25 lated to a fully paid or settled debt arising from the

1 receipt of medical services, products, or devices that
2 had been characterized as delinquent, charged off, or
3 in collection which, from the date of payment or set-
4 tlement, antedates the report by more than 45 cal-
5 endar days.”.

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

12 “(15) Any information related to a debt arising
13 from the receipt of medical services, products, or de-
14 vices, if the date on which such debt was placed for
15 collection, charged to profit or loss, or subjected to
16 any similar action antedates the report by less than
17 365 calendar days.”.

18 (c) PROHIBITION ON REPORTING MEDICALLY NEC-
19 ESSARY PROCEDURES.—Section 605(a) of the Fair Credit
20 Reporting Act (15 U.S.C. 1681c(a)), as amended by sub-
21 section (b), is further amended by adding at the end the
22 following new paragraph:

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

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

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

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

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

15 (e) TECHNICAL AMENDMENT.—Section 604(g)(1)(C)
16 of the Fair Credit Reporting Act (15 U.S.C.
17 1681b(g)(1)(C)) is further amended by striking “devises”
18 and inserting “devices”.

19 **SEC. 404. CREDIT RESTORATION FOR VICTIMS OF PREDA-**
20 **TORY MORTGAGE LENDING AND SERVICING.**

21 (a) IN GENERAL.—The Fair Credit Reporting Act
22 (15 U.S.C. 1681 et seq.) is amended by inserting after
23 section 605B the following new section:

1 **“§ 605C. Credit restoration for victims of predatory**
2 **mortgage lending**

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

11 “(1) resulted from an unfair, deceptive, or abu-
12 sive act or practice, or a fraudulent, discriminatory,
13 or illegal activity of a financial institution, as deter-
14 mined by the Bureau or a court of competent juris-
15 diction; or

16 “(2) is related to an unfair, deceptive, or abu-
17 sive act, practice, or a fraudulent, discriminatory, or
18 illegal activity of a financial institution that is the
19 subject of a settlement agreement initiated on behalf
20 of a consumer or consumers and that is between the
21 financial institution and an agency or department of
22 a local, State, or Federal Government, regardless of
23 whether such settlement includes an admission of
24 wrongdoing.

25 “(b) COVERED RESIDENTIAL MORTGAGE LOAN DE-
26 FINED.—In this section, the term ‘covered residential

1 mortgage loan’ means any loan primarily for personal,
 2 family, or household use that is secured by a mortgage,
 3 deed of trust, or other equivalent consensual security in-
 4 terest on a dwelling (as defined in section 103(w) of the
 5 Truth in Lending Act), including a loan in which the pro-
 6 ceeds will be used for—

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

10 “(2) any installment sales contract, land con-
 11 tract, or contract for deed on a residential property;
 12 or

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

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

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

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

22 **SEC. 405. CREDIT RESTORATION FOR CERTAIN PRIVATE**
 23 **EDUCATION LOANS BORROWERS.**

24 (a) IN GENERAL.—The Fair Credit Reporting Act
 25 (15 U.S.C. 1681 et seq.), as amended by section 404, is

1 further amended by inserting after section 605C the fol-
2 lowing new section:

3 **“§ 605D. Credit restoration for certain private edu-**
4 **cation loans borrowers**

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

7 “(1) IN GENERAL.—A consumer may submit a
8 request to the Bureau, along with a defraudment
9 claim, to be certified as a qualifying private edu-
10 cation loan borrower with respect to a private edu-
11 cation loan.

12 “(2) CERTIFICATION.—The Bureau shall certify
13 a consumer described in paragraph (1) as a quali-
14 fying private education loan borrower with respect to
15 a private education loan if the Bureau or a court of
16 competent jurisdiction determines that the consumer
17 has a valid defraudment claim with respect to such
18 loan.

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

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

10 “(d) PROCEDURES.—The Bureau shall—

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

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

15 “(3) develop ongoing outreach initiatives and
16 education programs to inform consumers of the cir-
17 cumstances under which such consumer may be eli-
18 gible to be certified as a qualifying private education
19 loan borrower with respect to a private education
20 loan;

21 “(4) establish procedures, including the man-
22 ner, form, and content of the notice informing a pri-
23 vate educational loan holder of the prohibition on re-
24 porting any adverse information relating to a private

1 education loan with respect to which a consumer is
2 a qualifying private education loan borrower; and

3 “(5) establish procedures, including the man-
4 ner, form, and content of the notice informing a con-
5 sumer reporting agency of the obligation to remove
6 any adverse information as described in subsection
7 (c).

8 “(e) STANDARDIZED REPORTING CODES.—A con-
9 sumer reporting agency shall develop standardized report-
10 ing codes for use by private education loan holders to iden-
11 tify and report a qualifying private education loan bor-
12 rower’s status of a request to remove any adverse informa-
13 tion relating to any private education loan with respect
14 to which such consumer is a qualifying private education
15 loan borrower. A consumer report in which a person fur-
16 nishes such codes shall be deemed to comply with the re-
17 quirements for accuracy and completeness required under
18 sections 607(b), 623(a)(1), and 632. Such codes shall not
19 appear on any report provided to a third party, and shall
20 be removed from the consumer’s credit report upon the
21 successful restoration of the consumer’s credit under this
22 section.

23 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-
24 poses of this section, the term ‘defraudment claim’ means
25 a claim made with respect to a consumer who is a bor-

1 rower of a private education loan with respect to a propri-
2 etary educational institution or career education program
3 in which the consumer alleges that—

4 “(1) the proprietary educational institution or
5 career education program—

6 “(A) engaged in an unfair, deceptive, or
7 abusive act or practice, or a fraudulent, dis-
8 criminatory, or illegal activity—

9 “(i) as defined by State law of the
10 State in which the proprietary educational
11 institution or career education program is
12 headquartered or maintains or maintained
13 significant operations; or

14 “(ii) under Federal law;

15 “(B) is the subject of an enforcement
16 order, a settlement agreement, a memorandum
17 of understanding, a suspension of tuition assist-
18 ance, or any other action relating to an unfair,
19 deceptive, or abusive act or practice that is be-
20 tween the proprietary educational institution or
21 career education program and an agency or de-
22 partment of a local, State, or Federal Govern-
23 ment; or

24 “(C) misrepresented facts to students or
25 accrediting agencies or associations about grad-

1 uation or gainful employment rates in recog-
2 nized occupations or failed to provide the
3 coursework necessary for students to success-
4 fully obtain a professional certification or de-
5 gree from the proprietary educational institu-
6 tion or career education program; or

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

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

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

14 **SEC. 406. FINANCIAL ABUSE PREVENTION.**

15 (a) IN GENERAL.—The Fair Credit Reporting Act
16 (15 U.S.C. 1681 et seq.), as amended by section 301, is
17 further amended by inserting after section 605E the fol-
18 lowing new section:

19 **“§ 605F. Financial abuse prevention**

20 “For a consumer who is the victim of intentionally
21 abusive or harmful financial behavior, as determined by
22 a court of competent jurisdiction including a family court,
23 juvenile court, or other court with personal jurisdiction,
24 that was conducted by a spouse, family or household mem-
25 ber, caregiver, or person with whom such consumer had

1 a dating relationship in a manner which resulted in the
 2 inclusion of an adverse item of information on the con-
 3 sumer report of the consumer, and the consumer did not
 4 participate in or consent to such behavior, the consumer
 5 may apply to a court of competent jurisdiction, including
 6 a family court, juvenile court, or other court with personal
 7 jurisdiction, for an order to require the removal of such
 8 adverse information from the consumer’s file maintained
 9 by any consumer reporting agency.”.

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

“605F. Financial abuse prevention.”.

14 **SEC. 407. PROHIBITION OF CERTAIN FACTORS RELATED TO**
 15 **FEDERAL CREDIT RESTORATION OR REHA-**
 16 **BILITATION.**

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

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

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

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

1 “(1) take into consideration, in a manner ad-
2 verse to a consumer’s credit score or educational
3 credit score, any information in a consumer report
4 concerning the consumer’s participation in credit
5 restoration or rehabilitation under section 605C,
6 605D, or 605E; or

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

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

17 “(1) take into consideration, in a manner ad-
18 verse to a consumer, any information in a consumer
19 report concerning the consumer’s participation in
20 credit restoration or rehabilitation under section
21 605C, 605D, or 605E; or

22 “(2) treat negatively the absence of payment
23 history data for an existing account, whether the ac-
24 count is open or closed, where the absence of such
25 information is the result of a consumer’s participa-

1 tion in credit restoration or rehabilitation under sec-
2 tion 605C, 605D, or 605E.

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

12 “(d) PROHIBITION RELATED TO ADVERSE ACTIONS
13 AND RISK-BASED PRICING DECISIONS.—No person shall
14 use information related to a consumer’s participation in
15 credit restoration or rehabilitation under section 605C,
16 605D, or 605E in connection with any determination of—

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

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

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

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

“632. Prohibition of certain factors related to Federal credit restoration or rehabilitation.”.

1 **TITLE V—CLARITY IN CREDIT**
2 **SCORE FORMATION**

3 **SEC. 501. CONSUMER BUREAU STUDY AND REPORT TO**
4 **CONGRESS ON THE IMPACT OF NON-TRADI-**
5 **TIONAL DATA.**

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

15 (1) Consumers with no or minimal traditional
16 credit history.

17 (2) Traditionally underserved communities and
18 populations.

19 (3) Consumers residing in rural areas.

20 (4) Consumers residing in urban areas.

21 (5) Racial and ethnic minorities and women.

22 (6) Consumers across various income strata,
23 particularly consumers earning less than 120 per-

1 cent of the area median income (as defined by the
2 Secretary of Housing and Urban Development).

3 (7) Immigrants, refugees, and non-permanent
4 residents.

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

10 (9) Consumers residing in federally assisted
11 housing, including consumers receiving Federal rent-
12 al subsidies.

13 (b) ADDITIONAL CONSIDERATIONS.—In assessing
14 impacts under subsection (a), the Bureau of Consumer Fi-
15 nancial Protection shall also consider impacts on—

16 (1) the privacy, security, and confidentiality of
17 the financial, medical, and personally identifiable in-
18 formation of consumers;

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

21 (3) the understanding of consumers of how
22 such information may be used or considered and the
23 ease with which a consumer may decide to restrict
24 or prohibit such use or consideration of such infor-
25 mation;

1 (4) potential discriminatory effects; and

2 (5) disparate outcomes the use or consideration
3 of such information may cause.

4 (c) CONSIDERATION OF RECENT GOVERNMENT
5 STUDIES.—In assessing impacts under subsection (a), the
6 Bureau of Consumer Financial Protection shall also con-
7 sider recent Government studies on alternative data, in-
8 cluding—

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

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

16 (d) REPORT.—Not later than 1 year after the date
17 of the enactment of this Act, the Bureau of Consumer Fi-
18 nancial Protection shall issue a report to the Committee
19 on Financial Services of the House of Representatives and
20 the Committee on Banking, Housing, and Urban Affairs
21 of the Senate containing all findings and determinations,
22 including any recommendations for any legislative or regu-
23 latory changes, made in carrying out the study required
24 under subsection (a).

25 (e) DEFINITIONS.—In this section:

1 (1) ALTERNATIVE MODELING TECHNIQUES.—

2 The term “alternative modeling techniques” means
3 statistical and mathematical techniques that are not
4 traditional modeling techniques, including decision
5 trees, random forests, artificial neural networks,
6 nearest neighbor, genetic programming, and boost-
7 ing algorithms.

8 (2) CONSUMER REPORT.—The term “consumer
9 report” has the meaning given such term in section
10 603 of the Fair Credit Reporting Act (15 U.S.C.
11 1681a).

12 (3) NON-TRADITIONAL DATA.—The term “non-
13 traditional data” means data related to tele-
14 communications, utility payments, rent payments,
15 remittances, wire transfers, data not otherwise regu-
16 larly included in consumer reports issued by con-
17 sumer reporting agencies described under section
18 603(p), and such other items as the Bureau of Con-
19 sumer Financial Protection deems appropriate.

20 (4) TRADITIONAL MODELING TECHNIQUES.—

21 The term “traditional modeling techniques” means
22 statistical and mathematical techniques (including
23 models, algorithms, linear and logistic regression
24 methods, and their outputs) that are traditionally
25 used in automated underwriting processes.

1 **SEC. 502. CONSUMER BUREAU OVERSIGHT OF CREDIT**
2 **SCORING MODELS.**

3 The Fair Credit Reporting Act (15 U.S.C. 1681 et
4 seq.), as amended by section 701, is further amended—

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

7 **“§ 631. Credit scoring models**

8 “(a) **VALIDATED CREDIT SCORING MODELS.**—Not
9 later than 1 year after the date of the enactment of this
10 section, the Bureau shall (in consultation with the Board
11 of Governors of the Federal Reserve System, the Comp-
12 troller of the Currency, the Board of Directors of the Fed-
13 eral Deposit Insurance Corporation, and the National
14 Credit Union Administration Board) issue final regula-
15 tions applicable to any person that creates, maintains, uti-
16 lizes, or purchases credit scoring models used in making
17 credit decisions to establish standards for validating the
18 accuracy and predictive value of all such credit scoring
19 models, both before release for initial use and at regular
20 intervals thereafter, for as long as such credit scoring
21 models are made available for purchase or use by such
22 person.

23 “(b) **PROHIBITION.**—At least once every 2 years, the
24 Bureau shall conduct a review of credit scoring models to
25 determine whether the use of any particular factors, or
26 the weight or consideration given to certain factors by

1 credit scoring models, is inappropriate, including if such
2 factors do not enhance or contribute to the accuracy and
3 predictive value of the models. Upon the conclusion of its
4 review, the Bureau may prohibit a person described in
5 subsection (a) from weighing, considering, or including
6 certain factors in, or making available for purchase or use,
7 certain credit scoring models or versions, as the Bureau
8 determines appropriate.”; and

9 (2) in the table of contents for such Act, as
10 amended by section 701, by adding after the item
11 relating to section 630 the following new item:

“631. Credit scoring models.”.

12 **SEC. 503. REVIEW OF CHANGES TO CREDIT SCORING MOD-**
13 **ELS.**

14 Section 631 of the Fair Credit Reporting Act (15
15 U.S.C. 1681 et seq.), as added by section 502, is amended
16 by adding at the end the following:

17 “(c) REVIEW OF CHANGES TO CREDIT SCORING
18 MODELS.—With respect to a person that creates credit
19 scoring models used in making credit decisions, if such
20 person creates a new credit scoring model (including a re-
21 vision to an existing scoring model) that would, when com-
22 pared to previous credit scoring models created by such
23 person, lower the credit scores of a class of consumers,
24 the Director of the Bureau may review such new credit
25 scoring model and, if the Director determines that such

1 new credit scoring model is inappropriate (including, with
2 respect to a revision to an existing scoring model, if such
3 revision does not enhance or contribute to the accuracy
4 and predictive value of the existing scoring model), the Di-
5 rector may prohibit such new credit scoring model.”.

6 **TITLE VI—RESTRICTIONS ON**
7 **CREDIT CHECKS FOR EM-**
8 **PLOYMENT DECISIONS**

9 **SEC. 601. PROHIBITION ON THE USE OF CREDIT INFORMA-**
10 **TION FOR MOST EMPLOYMENT DECISIONS.**

11 (a) IN GENERAL.—Section 604 of the Fair Credit
12 Reporting Act (15 U.S.C. 1681b) is amended—

13 (1) in subsection (a)(3)(B), by inserting “, sub-
14 ject to the requirements of subsection (b)” after
15 “purposes”; and

16 (2) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) by amending the paragraph head-
19 ing to read as follows: “USE OF CON-
20 SUMER REPORTS FOR EMPLOYMENT PUR-
21 POSES”;

22 (ii) in subparagraph (A), by redesignig-
23 nating clauses (i) and (ii) as subclauses (I)
24 and (II), respectively (and conforming the
25 margins accordingly);

1 (iii) by redesignating subparagraphs
2 (A) and (B) as clauses (i) and (ii), respec-
3 tively (and conforming the margins accord-
4 ingly);

5 (iv) by striking the period at the end
6 of clause (ii) (as so redesignated) and in-
7 serting “; and”;

8 (v) by striking “agency may furnish”
9 and inserting “agency—
10 “(A) may furnish”; and

11 (vi) by adding at the end the following
12 new subparagraph:

13 “(B) except as provided in paragraph (5),
14 may not furnish a consumer report for employ-
15 ment purposes, including for the purpose of de-
16 nying employment, with respect to any con-
17 sumer in which any information contained in
18 the report bears on the consumer’s credit-
19 worthiness, credit standing, or credit capacity.”;
20 and

21 (B) by adding at the end the following new
22 paragraphs:

23 “(5) REQUIREMENTS FOR CONSUMER REPORTS
24 BEARING ON THE CONSUMER’S CREDITWORTHINESS,
25 CREDIT STANDING, OR CREDIT CAPACITY.—

1 “(A) IN GENERAL.—A person may use a
2 consumer report for employment purposes with
3 respect to any consumer in which any informa-
4 tion contained in the report bears on the con-
5 sumer’s creditworthiness, credit standing, or
6 credit capacity only if—

7 “(i)(I) the person is required to obtain
8 the report by a Federal, State, or local law
9 or regulation;

10 “(II) the information contained in the
11 report is being used with respect to a na-
12 tional security investigation (as defined in
13 paragraph (4)(D)); or

14 “(III) the report is necessary for a
15 background check or related investigation
16 of financial information that is required by
17 a Federal, State, or local law or regulation;

18 “(ii) none of the cost associated with
19 obtaining the consumer report will be
20 passed on to the consumer to whom the re-
21 port relates; and

22 “(iii) the information contained in the
23 consumer report will not be disclosed to
24 any other person other than—

1 “(I) in an aggregate format that
2 protects a consumer’s personally iden-
3 tifiable information; or

4 “(II) as may be necessary to
5 comply with any applicable Federal,
6 State, or local equal employment op-
7 portunity law or regulation.

8 “(B) DISCLOSURES.—A person who pro-
9 cures, or causes to be procured, a consumer re-
10 port described in subparagraph (A) for employ-
11 ment purposes shall, in the disclosure made
12 pursuant to paragraph (2), include—

13 “(i) an explanation that a consumer
14 report is being obtained for employment
15 purposes;

16 “(ii) the reasons for obtaining such a
17 report; and

18 “(iii) the citation to the applicable
19 Federal, State, or local law or regulation
20 described in subparagraph (A)(i)(I).

21 “(C) ADVERSE ACTIONS.—In using a con-
22 sumer report described in subparagraph (A) for
23 employment purposes and before taking an ad-
24 verse action based in whole or in part on the re-
25 port, the person intending to take such adverse

1 action shall, in addition to the information de-
2 scribed in paragraph (3), provide to the con-
3 sumer to whom the report relates—

4 “(i) the name, address, and telephone
5 number of the consumer reporting agency
6 that furnished the report (including, for a
7 consumer reporting agency that compiles
8 and maintains files on consumers on a na-
9 tionwide basis, a toll-free telephone number
10 established by such agency);

11 “(ii) the date on which the report was
12 furnished; and

13 “(iii) the specific factors from the re-
14 port upon which the adverse action (as de-
15 fined in section 603(k)(1)(B)(ii)) was
16 based.

17 “(D) NATIONAL SECURITY INVESTIGA-
18 TIONS.—The requirements of paragraph (4)
19 shall apply to a consumer report described
20 under subparagraph (A).

21 “(E) NON-CIRCUMVENTION.—With respect
22 to a consumer report in which any information
23 contained in the report bears on the consumer’s
24 creditworthiness, credit standing, or credit ca-
25 pacity, if a person is prohibited from using the

1 consumer report pursuant to subparagraph (A),
2 such person may not, directly or indirectly, ei-
3 ther orally or in writing, require, request, sug-
4 gest, or cause any employee or prospective em-
5 ployee to submit such information to the person
6 as a condition of employment.

7 “(F) NON-WAIVER.—A consumer may not
8 waive the requirements of this paragraph with
9 respect to a consumer report.

10 “(6) RULE OF CONSTRUCTION.—Nothing in
11 this subsection shall be construed to require a con-
12 sumer reporting agency to prevent a Federal, State,
13 or local law enforcement agency from accessing in-
14 formation in a consumer report to which the law en-
15 forcement agency could otherwise obtain access.”.

16 (b) TECHNICAL AMENDMENT.—The Fair Credit Re-
17 porting Act (15 U.S.C. 1681 et seq.) is amended by strik-
18 ing “section 604(b)(4)(E)(i)” each place such term ap-
19 pears and inserting “section 604(b)(4)(D)(i)”.

20 (c) RULE OF CONSTRUCTION.—The amendments
21 made by this Act may not be construed as limiting the
22 ability of a person to use non-financial or non-credit re-
23 lated consumer report information.

1 **TITLE VII—PROHIBITION ON**
2 **MISLEADING AND UNFAIR**
3 **CONSUMER REPORTING**
4 **PRACTICES**

5 **SEC. 701. PROHIBITION ON AUTOMATIC RENEWALS FOR**
6 **PROMOTIONAL CONSUMER REPORTING AND**
7 **CREDIT SCORING PRODUCTS AND SERVICES.**

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

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

12 **“§ 630. Promotional periods**

13 “(a) **TERMINATION NOTICE.**—With respect to any
14 product or service related to a consumer report or a credit
15 score that is provided to a consumer under promotional
16 terms, the seller or provider of such product or service
17 shall provide clear and conspicuous notice to the consumer
18 within a reasonable period of time before the promotional
19 period ends.

20 “(b) **OPT-IN.**—With respect to any such product or
21 service, the seller or provider may not continue to sell or
22 provide such product or service to the consumer after the
23 end of the promotional period unless the consumer specifi-
24 cally agrees at the end of the promotional period to con-
25 tinue receiving the product or service.”; and

1 (2) in the table of contents for such Act, by in-
2 serting after the item relating to section 629 the fol-
3 lowing new item:

“630. Promotional periods.”.

4 **SEC. 702. PROHIBITION ON MISLEADING AND DECEPTIVE**
5 **MARKETING RELATED TO THE PROVISION OF**
6 **CONSUMER REPORTING AND CREDIT SCOR-**
7 **ING PRODUCTS AND SERVICES.**

8 Section 609 of the Fair Credit Reporting Act (15
9 U.S.C. 1681g), as amended by section 206, is further
10 amended—

11 (1) in subsection (a)—

12 (A) in paragraph (1)—

13 (i) by striking “request, except” and
14 all that follows through “consumer to
15 whom” and inserting “request, unless the
16 consumer to whom”;

17 (ii) by striking “disclosure; and” and
18 inserting “disclosure.”; and

19 (iii) by striking subparagraph (B);
20 and

21 (B) in paragraph (6), by inserting “or edu-
22 cational credit score (if applicable) under sub-
23 section (f) or section 612” before the period at
24 the end; and

1 (2) by adding at the end the following new sub-
2 section:

3 “(j) DISCLOSURES ON PRODUCTS AND SERVICES.—
4 The Bureau, in consultation with the Federal Trade Com-
5 mission, shall issue regulations within 18 months of the
6 date of the enactment of this subsection requiring each
7 consumer reporting agency and reseller to clearly and con-
8 spicuously disclose all material terms and conditions, in-
9 cluding any fee and pricing information associated with
10 any products or services offered, advertised, marketed, or
11 sold to consumers by the agency or reseller. Such disclo-
12 sures shall be made in all forms of communication to con-
13 sumers and displayed prominently on the agency or re-
14 seller’s website and all other locations where products or
15 services are offered, advertised, marketed, or sold to con-
16 sumers.”.

17 **SEC. 703. PROHIBITION ON EXCESSIVE DIRECT-TO-CON-**
18 **SUMER SALES.**

19 The Fair Credit Reporting Act (15 U.S.C. 1681 et
20 seq.), as amended by section 407, is further amended—

21 (1) by adding after section 632 the following
22 new section:

1 **“§ 633. Fair and reasonable fees for products and**
 2 **services**

3 “The Bureau may, with respect to any product or
 4 service offered by a consumer reporting agency to a con-
 5 sumer, set a fair and reasonable maximum fee that may
 6 be charged for such product or service, except where such
 7 maximum fee is otherwise provided under this title.”; and

8 (2) in the table of contents for such Act, by
 9 adding at the end the following new item:

“633. Fair and reasonable fees for products and services.”.

10 **SEC. 704. FAIR ACCESS TO CONSUMER REPORTING AND**
 11 **CREDIT SCORING DISCLOSURES FOR NON-**
 12 **NATIVE ENGLISH SPEAKERS AND THE VIS-**
 13 **UALLY AND HEARING IMPAIRED.**

14 The Fair Credit Reporting Act (15 U.S.C. 1681 et
 15 seq.), as amended by section 903, is further amended—

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

18 **“§ 635. Fair access to information for nonnative**
 19 **English speakers and the visually and**
 20 **hearing impaired**

21 “(a) IN GENERAL.—Not later than 180 days after
 22 the date of the enactment of this section, the Bureau shall
 23 issue a rule to require consumer reporting agencies and
 24 persons who furnish information to consumer reporting

1 agencies under this title, to the maximum extent reason-
2 ably practicable—

3 “(1) to provide any information, disclosures, or
4 other communication with consumers—

5 “(A) in each of the 10 most commonly spo-
6 ken languages, other than English, in the
7 United States, as determined by the Bureau of
8 the Census on an ongoing basis; and

9 “(B) in formats accessible to individuals
10 with hearing or vision impairments; and

11 “(2) to ensure that—

12 “(A) customer service representatives, in-
13 cluding employees assigned to handle disputes
14 or appeals under sections 611 and 623, who are
15 available to assist consumers are highly familiar
16 with the requirements of this title;

17 “(B) such representatives are available
18 during regular business hours and outside of
19 regular business hours, including evenings and
20 weekends; and

21 “(C) at least one among such representa-
22 tives is fluent in each of the 10 most commonly
23 spoken languages, other than English, in the
24 United States, as determined by the Bureau of
25 the Census on an ongoing basis.

1 “(b) BUREAU CONSULTATION.—The Bureau shall
 2 consult with advocates for civil rights, consumer groups,
 3 community groups, and organizations that serve tradition-
 4 ally underserved communities and populations in issuing
 5 the rule described in subsection (a).”; and

6 (2) in the table of contents for such Act, by
 7 adding at the end the following new item:

“635. Fair access to information for nonnative English speakers and the visually
 and hearing impaired.”.

8 **SEC. 705. COMPARISON SHOPPING FOR LOANS WITHOUT**
 9 **HARM TO CREDIT STANDING.**

10 Section 605 of the Fair Credit Reporting Act (15
 11 U.S.C. 1681e), as amended by section 401, is further
 12 amended by adding at the end the following new sub-
 13 section:

14 “(h) ENCOURAGING COMPARISON SHOPPING FOR
 15 LOANS.—

16 “(1) IN GENERAL.—With respect to multiple
 17 enquiries of the same type made to a consumer re-
 18 porting agency for a consumer report or credit score
 19 with respect to a consumer, any credit scoring model
 20 shall treat such enquiries as a single enquiry if the
 21 enquiries are made within a 120-day period.

22 “(2) DEFINITION OF ENQUIRIES OF THE SAME
 23 TYPE.—With respect to multiple enquiries made to
 24 a consumer reporting agency for a consumer report

1 or credit score with respect to a consumer, such
2 enquiries are ‘of the same type’ if the consumer re-
3 porting agency has reason to believe that the
4 enquiries are all made for the purpose of deter-
5 mining the consumer’s creditworthiness for an exten-
6 sion of credit described in one of the following:

7 “(A) A covered residential mortgage loan
8 (as defined in section 605C).

9 “(B) A motor vehicle loan or lease (as de-
10 scribed in section 609(i)).

11 “(C) A private education loan.

12 “(D) Any other consumer financial product
13 or service, as determined by the Bureau.”.

14 **SEC. 706. NATIONWIDE CONSUMER REPORTING AGENCIES**
15 **REGISTRY.**

16 The Fair Credit Reporting Act (15 U.S.C. 1681 et
17 seq.), as amended by section 704, is further amended—

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

20 **“§ 636. Nationwide consumer reporting agencies reg-
21 istry**

22 “(a) IN GENERAL.—Not later than 1 year after the
23 date of enactment of this section, the Bureau shall estab-
24 lish and maintain a publicly accessible registry of con-
25 sumer reporting agencies described in subsection (p) or

1 (x) of section 603 (and any other agencies the Bureau de-
2 termines provide similar services to such consumer report-
3 ing agencies) that includes current contact information of
4 each such agency, including the Internet website address
5 of the Internet website described under section 611(h),
6 and information on how consumers can obtain their con-
7 sumer report, credit scores, or educational credit scores
8 (as applicable) by toll-free telephone, postal mail, or elec-
9 tronic means.

10 “(b) REGISTRY REQUIREMENTS.—The registry de-
11 scribed in subsection (a) shall—

12 “(1) identify the largest agencies and the mar-
13 kets and demographics covered by such agencies;
14 and

15 “(2) disclose, with respect to each agency,
16 whether the agency is subject to the supervisory au-
17 thority of the Bureau under this title.

18 “(c) INFORMATION UPDATES.—Each agency de-
19 scribed under subsection (a) shall submit to the Bureau
20 contact information for the registry, including any updates
21 to such information. The Bureau shall—

22 “(1) independently verify information submitted
23 by each agency; and

24 “(2) update the registry not less frequently
25 than annually.”; and

1 (2) in the table of contents for such Act by add-
2 ing at the end the following new item:

“636. Nationwide consumer reporting agencies registry.”.

3 **SEC. 707. PROTECTION FOR CERTAIN CONSUMERS AF-**
4 **FECTED BY A SHUTDOWN.**

5 (a) DEFINITION OF EMPLOYEE AFFECTED BY A
6 SHUTDOWN.—Section 603 of the Fair Credit Reporting
7 Act (15 U.S.C. 1681a), as amended by section 901, is fur-
8 ther amended by adding at the end the following:

9 “(ff) EMPLOYEE AFFECTED BY A SHUTDOWN.—
10 With respect to a shutdown, the term ‘employee affected
11 by a shutdown’ means a consumer who—

12 “(1) is an employee of—

13 “(A) the Federal Government, and who is
14 furloughed or excepted from a furlough during
15 the shutdown;

16 “(B) the District of Columbia, and who is
17 furloughed or excepted from a furlough during
18 the shutdown;

19 “(C) the District of Columbia Courts, and
20 who is furloughed or excepted from a furlough
21 during the shutdown;

22 “(D) the Public Defender Service for the
23 District of Columbia, and who is furloughed or
24 excepted from a furlough during the shutdown;

25 or

1 “(E) a Federal contractor (as defined
2 under section 7101 of title 41, United States
3 Code) or other business, and who has experi-
4 enced a substantial reduction in pay (directly or
5 indirectly) due to the shutdown; and

6 “(2) who—

7 “(A) is listed in the database established
8 under section 63; or

9 “(B) has self-certified pursuant to such
10 section.

11 “(gg) SHUTDOWN.—The term ‘shutdown’ means any
12 period in which there is more than a 24-hour lapse in ap-
13 propriations as a result of a failure to enact a regular ap-
14 propriations bill or continuing resolution.

15 “(hh) COVERED SHUTDOWN PERIOD.—The term
16 ‘covered shutdown period’ means, with respect to a shut-
17 down, the period beginning on the first day of the shut-
18 down and ending on the date that is 90 days after the
19 last day of the shutdown.”.

20 (b) EXCLUSION FOR EMPLOYEES AFFECTED BY A
21 SHUTDOWN.—Section 605(a) of the Fair Credit Reporting
22 Act (15 U.S.C. 1681c(a)), as amended by section 809, is
23 further amended by adding at the end the following:

24 “(18) Any adverse item of information with re-
25 spect to an action or inaction taken during a covered

1 shutdown period by an employee affected by a shut-
2 down.”.

3 (c) AMENDMENT TO SUMMARY OF RIGHTS FOR EM-
4 PLOYEES AFFECTED BY A SHUTDOWN.—Section 609(a)
5 of the Fair Credit Reporting Act (15 U.S.C. 1681g(a))
6 is amended by adding at the end the following:

7 “(7) Information on the rights of an employee
8 affected by a shutdown, including which consumers
9 may be an employee affected by a shutdown and the
10 process for a consumer to self-certify as an employee
11 affected by a shutdown under section 637.”.

12 (d) DATABASE AND SELF-CERTIFICATION FOR EM-
13 PLOYEES AFFECTED BY A SHUTDOWN.—

14 (1) IN GENERAL.—The Fair Credit Reporting
15 Act (15 U.S.C. 1681 et seq.), as amended by section
16 706, is further amended by adding at the end the
17 following new section:

18 **“§ 637. Database and self-certification for employees**
19 **affected by a shutdown**

20 “(a) DATABASE.—

21 “(1) IN GENERAL.—With respect to each shut-
22 down, the consumer reporting agencies described in
23 section 603(p) shall jointly establish a database that
24 includes employees affected by the shutdown as re-
25 ported pursuant to paragraph (2).

1 “(2) CONTENTS OF DATABASE.—

2 “(A) FURLOUGHED EMPLOYEES AND CON-
3 TRACTORS.—Each authority of the executive,
4 legislative, or judicial branch of the Federal
5 Government or District of Columbia shall pro-
6 vide to the consumer reporting agencies de-
7 scribed in section 603(p) a list identifying—

8 “(i) employees of such authority that
9 are furloughed, excepted from furlough, or
10 not receiving pay because of a shutdown;
11 and

12 “(ii) to the extent practicable, employ-
13 ees of contractors of such authority.

14 “(B) SELF-CERTIFIED CONSUMERS.—A
15 consumer that self-certifies as an employee af-
16 fected by a shutdown pursuant to subsection
17 (b) shall be included in the database, unless the
18 Bureau determines such consumer is not an
19 employee affected by a shutdown.

20 “(3) ACCESS TO DATABASE.—The consumer re-
21 porting agencies described in section 603(p) shall
22 make the database established under this subsection
23 available to the Bureau, other consumer reporting
24 agencies, furnishers of information to consumer re-
25 porting agencies, and users of consumer reports. A

1 consumer reporting agency described in section
2 603(x) shall periodically access the database to con-
3 firm the accuracy of information such an agency has
4 that identifies a consumer as an employee affected
5 by a shutdown.

6 “(b) SELF-CERTIFICATION PROCESS.—A consumer
7 shall be deemed to be an employee affected by a shutdown
8 if such consumer self-certifies through—

9 “(1) the website established under subsection
10 (c); or

11 “(2) a toll-free telephone number established by
12 a consumer reporting agency.

13 “(c) WEBSITE.—The consumer reporting agencies
14 described in section 603(p) shall jointly establish a website
15 for a consumer to self-certify as an employee affected by
16 a shutdown. Such website may not include any advertise-
17 ment or other solicitation.

18 “(d) OPT-OUT.—The consumer reporting agencies
19 described in section 603(p) shall provided a process
20 through the website described under subsection (c) for
21 consumers to opt-out of having their name included in the
22 database established under this section.”.

23 (2) TABLE OF CONTENTS AMENDMENT.—The
24 table of contents of the Fair Credit Reporting Act,

1 as amended by section 706, is further amended by
2 adding at the end the following new item:

“637. Database and self-certification for employees affected by a shutdown.”.

3 (e) PROHIBITION ON ADVERSE ACTIONS AGAINST
4 EMPLOYEES AFFECTED BY A SHUTDOWN.—Section 604
5 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is
6 amended by adding at the end the following:

7 “(h) PROHIBITION ON ADVERSE ACTIONS AGAINST
8 EMPLOYEES AFFECTED BY A SHUTDOWN.—If a user of
9 a consumer report knows that a consumer is an employee
10 affected by a shutdown, such user may not take an adverse
11 action based on—

12 “(1) any adverse item of information contained
13 in such report with respect to an action or inaction
14 taken during a covered shutdown period by the em-
15 ployee; or

16 “(2) information on the consumer included in
17 the database established under section 637.”.

18 (f) BUREAU REGULATIONS OR GUIDANCE.—Not
19 later than 30 days after the date of the enactment of this
20 Act, the Director of the Bureau of Consumer Financial
21 Protection shall issue rules or guidance, as appropriate,
22 to carry out the requirements of this Act.

1 **TITLE** **VIII—PROTECTIONS**
2 **AGAINST IDENTITY THEFT,**
3 **FRAUD, OR A RELATED**
4 **CRIME**

5 **SEC. 801. IDENTITY THEFT REPORT DEFINITION.**

6 (a) IN GENERAL.—Paragraph (4) of section 603(q)
7 of the Fair Credit Reporting Act (15 U.S.C. 1681a(q)(4))
8 is amended to read as follows:

9 “(4) IDENTITY THEFT REPORT.—The term
10 ‘identity theft report’ has the meaning given that
11 term by rule of the Bureau, and means, at a min-
12 imum, a report—

13 “(A) that is a standardized affidavit that
14 alleges that a consumer has been a victim of
15 identity theft, fraud, or a related crime, or has
16 been harmed by the unauthorized disclosure of
17 the consumer’s financial or personally identifi-
18 able information, that was developed and made
19 available by the Bureau; or

20 “(B)(i) that alleges an identity theft,
21 fraud, or a related crime, or alleges harm from
22 the unauthorized disclosure of the consumer’s
23 financial or personally identifiable information;

24 “(ii) that is a copy of an official, valid re-
25 port filed by a consumer with an appropriate

1 Federal, State, or local law enforcement agency
2 (including the United States Postal Inspection
3 Service), or such other government agency
4 deemed appropriate by the Bureau; and

5 “(iii) the filing of which subjects the per-
6 son filing the report to criminal penalties relat-
7 ing to the filing of false information if the in-
8 formation in the report is actually false.”.

9 (b) RULEMAKING.—Not later than the end of the 2-
10 year period beginning on the date of enactment of this
11 Act, the Director of the Bureau of Consumer Financial
12 Protection shall issue final rules to carry out the amend-
13 ment made by subsection (a).

14 **SEC. 802. AMENDMENT TO PROTECTION FOR FILES AND**
15 **CREDIT RECORDS OF PROTECTED CON-**
16 **SUMERS.**

17 (a) AMENDMENT TO DEFINITION OF “FILE”.—Sec-
18 tion 603(g) of the Fair Credit Reporting Act (15 U.S.C.
19 1681a(g)) is amended by inserting “, except that such
20 term excludes a record created pursuant to section
21 605A(j)” after “stored”.

22 (b) AMENDMENT TO PROTECTION FOR FILES AND
23 CREDIT RECORDS.—Section 605A(j) of the Fair Credit
24 Reporting Act (15 U.S.C. 1681c–1(j)) is amended—

25 (1) in paragraph (1)—

1 (A) in subparagraph (B)(ii), by striking
2 “an incapacitated person or a protected person”
3 and inserting “a person”; and

4 (B) by amending subparagraph (E) to read
5 as follows:

6 “(E) The term ‘security freeze’—

7 “(i) has the meaning given in sub-
8 section (i)(1)(C); and

9 “(ii) with respect to a protected con-
10 sumer for whom the consumer reporting
11 agency does not have a file, means a
12 record that is subject to a security freeze
13 that a consumer reporting agency is pro-
14 hibited from disclosing to any person re-
15 questing the consumer report for the pur-
16 pose of opening a new account involving
17 the extension of credit.”; and

18 (2) in paragraph (4)(D), by striking “a pro-
19 tected consumer or a protected consumer’s rep-
20 resentative under subparagraph (A)(i)” and insert-
21 ing “a protected consumer described under subpara-
22 graph (A)(ii) or a protected consumer’s representa-
23 tive”.

1 **SEC. 803. ENHANCEMENT TO FRAUD ALERT PROTECTIONS.**

2 Section 605A of the Fair Credit Reporting Act (15
3 U.S.C. 1681c-1) is amended—

4 (1) in subsection (a)—

5 (A) in the subsection heading, by striking
6 “ONE-CALL” and inserting “1-YEAR”;

7 (B) in paragraph (1)—

8 (i) in the paragraph heading, by strik-
9 ing “INITIAL ALERTS” and inserting “IN
10 GENERAL”;

11 (ii) by inserting “or has been or is
12 about to be harmed by the unauthorized
13 disclosure of the consumer’s financial or
14 personally identifiable information,” after
15 “identity theft,”;

16 (iii) in subparagraph (A)—

17 (I) by inserting “(which period
18 may be extended upon request of the
19 consumer or such representative)”
20 after “1 year”; and

21 (II) by striking “and” at the end;

22 (iv) in subparagraph (B)—

23 (I) by inserting “1-year” before
24 “fraud alert”; and

25 (II) by striking the period at the
26 end and inserting “; and”; and

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

3 “(C) upon the expiration of the period de-
4 scribed in subparagraph (A) or any extension of
5 such period, and in response to a direct request
6 by the consumer or such representative, con-
7 tinue the fraud alert for a period of 1 addi-
8 tional year if the information asserted in this
9 paragraph remains applicable.”; and

10 (C) in paragraph (2)—

11 (i) in the paragraph heading, by in-
12 sserting “AND CREDIT OR EDUCATIONAL
13 CREDIT SCORES” after “REPORTS”;

14 (ii) by inserting “1-year” before
15 “fraud alert”;

16 (iii) in subparagraph (A), by inserting
17 “and credit score or educational credit
18 score” after “file”; and

19 (iv) in subparagraph (B), by striking
20 “any request described in subparagraph
21 (A)” and inserting “the consumer report-
22 ing agency includes the 1-year fraud alert
23 in the file of a consumer”;

24 (2) in subsection (b)—

1 (A) in the subsection heading, by striking
2 “EXTENDED” and inserting “7-YEAR”;

3 (B) in paragraph (1)—

4 (i) in subparagraph (A), by inserting
5 “(which period may be extended upon re-
6 quest of the consumer or such representa-
7 tive)” after “7-year period beginning on
8 the date of such request”;

9 (ii) in subparagraph (B)—

10 (I) by striking “the 5-year period
11 beginning on the date of such re-
12 quest” and inserting “such 7-year pe-
13 riod (including any extension of such
14 period)”; and

15 (II) by striking “and” at the end;

16 (iii) in subparagraph (C)—

17 (I) by striking “extended” and
18 inserting “7-year”; and

19 (II) by striking the period at the
20 end and inserting “; and”; and

21 (iv) by adding at the end the following
22 new subparagraph:

23 “(D) upon the expiration of such 7-year
24 period or any extension of such period, and in
25 response to a direct request by the consumer or

1 such representative, continue the fraud alert for
2 a period of 7 additional years if the consumer
3 or such representative submits an updated iden-
4 tity theft report.”; and

5 (C) in paragraph (2)—

6 (i) in the paragraph heading, by in-
7 serting “AND CREDIT OR EDUCATIONAL
8 CREDIT SCORES” after “REPORTS”; and

9 (ii) by amending subparagraph (A) to
10 read as follows:

11 “(A) disclose to the consumer that the con-
12 sumer may request a free copy of the file and
13 credit score or educational credit score of the
14 consumer pursuant to section 612(d) during
15 each 12-month period beginning on the date on
16 which the 7-year fraud alert was included in the
17 file and ending on the date of the last day that
18 the 7-year fraud alert applies to the consumer’s
19 file; and”;

20 (3) in subsection (c)—

21 (A) in paragraph (1), by inserting “or edu-
22 cational credit score” after “credit score”;

23 (B) by redesignating paragraphs (1), (2),
24 and (3), as subparagraphs (A), (B), and (C),

1 respectively (and conforming the margins ac-
2 cordingly);

3 (C) by striking “Upon the direct request”
4 and inserting:

5 “(1) IN GENERAL.—Upon the direct request”;
6 and

7 (D) by adding at the end the following new
8 paragraph:

9 “(2) ACCESS TO FREE REPORTS AND CREDIT
10 OR EDUCATIONAL CREDIT SCORES.—If a consumer
11 reporting agency includes an active duty alert in the
12 file of an active duty uniformed consumer, the con-
13 sumer reporting agency shall—

14 “(A) disclose to the active duty uniformed
15 consumer that the active duty uniformed con-
16 sumer may request a free copy of the file and
17 credit score or educational credit score of the
18 active duty uniformed consumer pursuant to
19 section 612(d), during each 12-month period
20 beginning on the date that the activity duty
21 alert is requested and ending on the date of the
22 last day the active duty alert applies to the file
23 of the active duty uniformed consumer; and

24 “(B) provide to the active duty uniformed
25 consumer all disclosures required to be made

1 under section 609, without charge to the con-
2 sumer, not later than 3 business days after any
3 request described in subparagraph (A).”;

4 (4) by amending subsection (d) to read as fol-
5 lows:

6 “(d) PROCEDURES.—Each consumer reporting agen-
7 cy described in section 603(p) shall include on the
8 webpage required under subsection (i) policies and proce-
9 dures to comply with this section, including policies and
10 procedures—

11 “(1) that inform consumers of the availability
12 of 1-year fraud alerts, 7-year fraud alerts, active
13 duty alerts, and security freezes (as applicable);

14 “(2) that allow consumers to request 1-year
15 fraud alerts, 7-year fraud alerts, and active duty
16 alerts (as applicable) and to place, temporarily lift,
17 or fully remove a security freeze in a simple and
18 easy manner; and

19 “(3) for asserting in good faith a suspicion that
20 the consumer has been or is about to become a vic-
21 tim of identity theft, fraud, or a related crime, or
22 harmed by the unauthorized disclosure of the con-
23 sumer’s financial or personally identifiable informa-
24 tion, for a consumer seeking a 1-year fraud alert or
25 security freeze.”;

1 (5) in subsection (e), by inserting “1-year or 7-
2 year” before “fraud alert”;

3 (6) in subsection (f), by striking “or active duty
4 alert” and inserting “active duty alert, or security
5 freeze (as applicable)”;

6 (7) in subsection (g)—

7 (A) by inserting “or has been harmed by
8 the unauthorized disclosure of the consumer’s
9 financial or personally identifiable information,
10 or to inform such agency of the consumer’s par-
11 ticipation in credit restoration or rehabilitation
12 under section 605C, 605D, or 605E,” after
13 “identity theft,”; and

14 (B) by inserting “or security freezes” after
15 “request alerts”;

16 (8) in subsection (h)—

17 (A) in paragraph (1)—

18 (i) in the paragraph heading, by strik-
19 ing “INITIAL” and inserting “1-YEAR”; and

20 (ii) by striking “initial” and inserting
21 “1-year” each place such term appears;

22 and

23 (B) in paragraph (2)—

1 (i) in the paragraph heading, by strik-
2 ing “EXTENDED” and inserting “7-YEAR”;
3 and

4 (ii) by striking “extended” and insert-
5 ing “7-year” each place such term appears;
6 and

7 (9) in subsection (i)(4)—

8 (A) by striking subparagraphs (E) and (I);
9 and

10 (B) by redesignating subparagraphs (F),
11 (G), (H), and (J) as subparagraphs (E), (F),
12 (G), and (H), respectively.

13 **SEC. 804. AMENDMENT TO SECURITY FREEZES FOR CON-**
14 **SUMER REPORTS.**

15 (a) IN GENERAL.—Section 605A(i) of the Fair Credit
16 Reporting Act (15 U.S.C. 1681c–1(i)) is amended—

17 (1) by amending the subsection heading to read
18 as follows: “SECURITY FREEZES FOR CONSUMER
19 REPORTS”;

20 (2) in paragraph (3)(E), by striking “Upon re-
21 ceiving” and all that follows through “subparagraph
22 (C),” and inserting “Upon receiving a direct request
23 from a consumer for a temporary removal of a secu-
24 rity freeze, a consumer reporting agency shall”;

25 (3) by adding at the end the following:

1 “(7) RELATION TO STATE LAW.—This sub-
2 section does not modify or supersede the laws of any
3 State relating to security freezes or other similar ac-
4 tions, except to the extent those laws are incon-
5 sistent with any provision of this title, and then only
6 to the extent of the inconsistency. For purposes of
7 this subsection, a term or provision of a State law
8 is not inconsistent with the provisions of this sub-
9 section if the term or provision affords greater pro-
10 tection to the consumer than the protection provided
11 under this subsection as determined by the Bu-
12 reau.”.

13 (b) AMENDMENT TO WEBPAGE REQUIREMENTS.—
14 Section 605A(i)(6)(A) of the Fair Credit Reporting Act
15 (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

16 (1) in clause (ii), by striking “initial fraud
17 alert” and inserting “1-year fraud alert”;

18 (2) in clause (iii), by striking “extended fraud
19 alert” and inserting “7-year fraud alert”; and

20 (3) in clause (iv), by striking “fraud”.

21 (c) AMENDMENT TO EXCEPTIONS FOR CERTAIN
22 PERSONS.—Section 605A(i)(4)(A) of the Fair Credit Re-
23 porting Act (15 U.S.C. 1681c–1(i)(4)(A)) is amended to
24 read as follows:

1 (2) in subparagraph (E), by striking “outdated
2 under section 605 or” and inserting “outdated, re-
3 quired to be removed, or”.

4 **SEC. 806. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**
5 **TIMS.**

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

8 (1) in paragraph (1)—

9 (A) by striking “resulting from identity
10 theft”;

11 (B) by striking “claim of identity theft”
12 and inserting “claim of fraudulent activity”;
13 and

14 (C) by striking “any transaction alleged to
15 be a result of identity theft” and inserting “any
16 fraudulent transaction”;

17 (2) in paragraph (2)(B)—

18 (A) by striking “identity theft, at the elec-
19 tion of the business entity” and inserting
20 “fraudulent activity”;

21 (B) by amending clause (i) to read as fol-
22 lows:

23 “(i) a copy of an identity theft report;
24 or”; and

1 (C) by amending clause (ii) to read as fol-
2 lows:

3 “(ii) an affidavit of fact that is ac-
4 ceptable to the business entity for that
5 purpose.”;

6 (3) in paragraph (3), by striking “identity
7 theft” and inserting “fraudulent activity”;

8 (4) by striking paragraph (8) and redesignating
9 paragraphs (9) through (13) as paragraphs (8)
10 through (12), respectively; and

11 (5) in paragraph (10) (as so redesignated), by
12 striking “or a similar crime” and inserting “, fraud,
13 or a related crime”.

14 **SEC. 807. REQUIRED BUREAU TO SET PROCEDURES FOR**
15 **REPORTING IDENTITY THEFT, FRAUD, AND**
16 **OTHER RELATED CRIME.**

17 Section 621(f)(2) of the Fair Credit Reporting Act
18 (15 U.S.C. 1681s(f)(2)) is amended—

19 (1) in the paragraph heading, by striking
20 “MODEL FORM” and inserting “STANDARDIZED AF-
21 FIDAVIT”;

22 (2) by striking “The Commission” and insert-
23 ing “The Bureau”;

24 (3) by striking “model form” and inserting
25 “standardized affidavit”;

1 (4) by inserting after “identity theft” the fol-
2 lowing: “, fraud, or a related crime, or otherwise are
3 harmed by the unauthorized disclosure of the con-
4 sumer’s financial or personally identifiable informa-
5 tion,”; and

6 (5) by striking “fraud.” and inserting “identity
7 theft, fraud, or other related crime. Such standard-
8 ized affidavit and procedures shall not include a re-
9 quirement that a consumer obtain a police report.”.

10 **SEC. 808. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**
11 **TORING AND IDENTITY THEFT PROTECTION**
12 **SERVICES FOR CERTAIN CONSUMERS.**

13 (a) ENFORCEMENT OF CREDIT MONITORING FOR
14 SERVICEMEMBERS.—

15 (1) IN GENERAL.—Subsection (k) of section
16 605A (15 U.S.C. 1681c–1(a)) is amended by strik-
17 ing paragraph (4).

18 (2) EFFECTIVE DATE.—This subsection and the
19 amendment made by this subsection shall take effect
20 on the date of the enactment of this Act.

21 (b) FREE CREDIT MONITORING AND IDENTITY
22 THEFT PROTECTION SERVICES FOR CERTAIN CON-
23 SUMERS.—Subsection (k) of section 605A (15 U.S.C.
24 1681c–1), is amended to read as follows:

1 “(k) CREDIT MONITORING AND IDENTITY THEFT
2 PROTECTION SERVICES.—

3 “(1) IN GENERAL.—Upon the direct request of
4 a consumer, a consumer reporting agency described
5 in section 603(p) that maintains a file on the con-
6 sumer and has received appropriate proof of the
7 identity of the requester (as described in section
8 1022.123 of title 12, Code of Federal Regulations)
9 shall provide the consumer with credit monitoring
10 and identity theft protection services not later than
11 1 business day after receiving such request sent by
12 postal mail, toll-free telephone, or secure electronic
13 means as established by the agency.

14 “(2) FEES.—

15 “(A) CLASSES OF CONSUMERS.—The Bu-
16 reau may establish classes of consumers eligible
17 to receive credit monitoring and identity theft
18 protection services free of charge.

19 “(B) NO FEE.—A consumer reporting
20 agency described in section 603(p) may not
21 charge a consumer a fee to receive credit moni-
22 toring and identity theft protection services if
23 the consumer or a representative of the con-
24 sumer—

1 “(i) asserts in good faith a suspicion
2 that the consumer has been or is about to
3 become a victim of identity theft, fraud, or
4 a related crime, or harmed by the unau-
5 thorized disclosure of the consumer’s fi-
6 nancial or personally identifiable informa-
7 tion;

8 “(ii) is unemployed and intends to
9 apply for employment in the 60-day period
10 beginning on the date on which the request
11 is made;

12 “(iii) is a recipient of public welfare
13 assistance;

14 “(iv) is an active duty uniformed con-
15 sumer or a member of the National Guard
16 (as defined in section 101(c) of title 10,
17 United States Code);

18 “(v) is 65 years of age or older; or

19 “(vi) is a member of a class estab-
20 lished by the Bureau under subparagraph
21 (A).

22 “(3) BUREAU RULEMAKING.—The Bureau shall
23 issue regulations—

1 “(A) to define the scope of credit moni-
2 toring and identity theft protection services re-
3 quired under this subsection; and

4 “(B) to set a fair and reasonable fee that
5 a consumer reporting agency may charge a con-
6 sumer (other than a consumer described under
7 paragraph (2)(B)) for such credit monitoring
8 and identity theft protection services.

9 “(4) RELATION TO STATE LAW.—This sub-
10 section does not modify or supersede of the laws of
11 any State relating to credit monitoring and identity
12 theft protection services or other similar actions, ex-
13 cept to the extent those laws are inconsistent with
14 any provision of this title, and then only to the ex-
15 tent of the inconsistency. For purposes of this sub-
16 section, a term or provision of a State law is not in-
17 consistent with the provisions of this subsection if
18 the term or provision affords greater protection to
19 the consumer than the protection provided under
20 this subsection as determined by the Bureau.”.

21 (c) RULEMAKING.—Not later than the end of the 2-
22 year period beginning on the date of enactment of this
23 Act, the Director of the Bureau of Consumer Financial
24 Protection shall issue final rules to carry out the amend-
25 ment made by subsection (b).

1 **SEC. 809. ENSURES REMOVAL OF INQUIRIES RESULTING**
2 **FROM IDENTITY THEFT, FRAUD, OR OTHER**
3 **RELATED CRIME FROM CONSUMER REPORTS.**

4 Section 605(a) of the Fair Credit Reporting Act (15
5 U.S.C. 1681c(a)), as amended by section 403, is further
6 amended by adding at the end the following:

7 “(17) Information about inquiries made for a
8 credit report based on requests that the consumer
9 reporting agency verifies were initiated as the result
10 of identity theft, fraud, or other related crime.”.

11 **TITLE IX—MISCELLANEOUS**

12 **SEC. 901. DEFINITIONS.**

13 Section 603 of the Fair Credit Reporting Act (15
14 U.S.C. 1681a), as amended by section 302, is further
15 amended by adding at the end the following:

16 “(dd) DEFINITIONS RELATED TO DAYS.—

17 “(1) CALENDAR DAY; DAY.—The term ‘calendar
18 day’ or ‘day’ means a calendar day, excluding any
19 federally recognized holiday.

20 “(2) BUSINESS DAY.—The term ‘business day’
21 means a day between and including Monday to Fri-
22 day, and excluding any federally recognized holi-
23 day.”.

1 **SEC. 902. TECHNICAL CORRECTION RELATED TO RISK-**
2 **BASED PRICING NOTICES.**

3 Section 615(h)(8) of the Fair Credit Reporting Act
4 (15 U.S.C. 1681m) is amended—

5 (1) in subparagraph (A), by striking “this sec-
6 tion” and inserting “this subsection”; and

7 (2) in subparagraph (B), by striking “This sec-
8 tion” and inserting “This subsection”.

9 **SEC. 903. FCRA FINDINGS AND PURPOSE; VOIDS CERTAIN**
10 **CONTRACTS NOT IN THE PUBLIC INTEREST.**

11 (a) FCRA FINDINGS AND PURPOSE.—Section 602 of
12 the Fair Credit Reporting Act (15 U.S.C. 1681(a)) is
13 amended—

14 (1) in subsection (a)—

15 (A) by amending paragraph (1) to read as
16 follows:

17 “(1) Many financial and non-financial decisions af-
18 fecting consumers’ lives depend upon fair, complete, and
19 accurate credit reporting. Inaccurate and incomplete cred-
20 it reports directly impair the efficiency of the financial sys-
21 tem and undermine the integrity of using credit reports
22 in other circumstances, and unfair credit reporting and
23 credit scoring methods undermine the public confidence
24 which is essential to the continued functioning of the fi-
25 nancial services system and the provision of many other
26 consumer products and services.”; and

1 (B) in paragraph (4), by inserting after
2 “agencies” the following: “, furnishers, and
3 credit scoring developers”; and
4 (2) in subsection (b)—

5 (A) by striking “It is the purpose of this
6 title to require” and inserting the following:
7 “The purpose of this title is the following:
8 “(1) To require”; and

9 (B) by adding at the end the following:
10 “(2) To prohibit any practices and procedures
11 with respect to credit reports and credit scores that
12 are not in the public interest.”.

13 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE
14 PUBLIC INTEREST.—The Fair Credit Reporting Act (15
15 U.S.C. 1681 et seq.), as amended by section 703, is fur-
16 ther amended—

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

19 **“§ 634. Voiding of certain contracts not in the public**
20 **interest**

21 “(a) IN GENERAL.—Any provision contained in a
22 contract that requires a person to not follow a provision
23 of this title, that is against the public interest, or that
24 otherwise circumvents the purposes of this title shall be
25 null and void.

1 “(b) RULE OF CONSTRUCTION.—Nothing in sub-
2 section (a) shall be construed as affecting other provisions
3 of a contract that are not described under subsection
4 (a).”; and

5 (2) in the table of contents for such Act, by in-
6 serting after the item relating to section 633 the fol-
7 lowing new item:

“634. Voiding of certain contracts not in the public interest.”.

8 **SEC. 904. GAO STUDY ON THE USE OF CREDIT IN HOUSING**
9 **DETERMINATIONS.**

10 (a) STUDY.—The Comptroller General of the United
11 States shall carry out a study of the use of consumer re-
12 ports and credit scores in housing determinations to deter-
13 mine whether consumer reports or credit scores are being
14 used as tools to perform the equivalent of banned red-lin-
15 ing.

16 (b) CONTENTS OF STUDY.—In carrying out the study
17 required under subsection (a), the Comptroller General
18 shall—

19 (1) examine both rental applications and mort-
20 gage applications; and

21 (2) include a demographic breakdown by race,
22 gender, age, sexual orientation, city/suburban/rural,
23 socioeconomic status, and any other demographic
24 that the Comptroller General determines appro-
25 priate.

1 (c) REPORT.—The Comptroller General shall issue a
2 report to the Congress containing all findings and deter-
3 minations made in carrying out the study required under
4 subsection (a).

5 **SEC. 905. GAO STUDY ON THE EFFECTS OF CREDIT SCORES**
6 **IMPACTED BY A STUDENT BORROWER'S DE-**
7 **FAULTED OR DELINQUENT PRIVATE EDU-**
8 **CATION LOAN.**

9 (a) STUDY.—The Comptroller General of the United
10 States shall carry out a study on how credit scores im-
11 pacted by a student borrower's defaulted or delinquent
12 private education loan impacts applying for future loans,
13 including information on the treatment of different demo-
14 graphic populations.

15 (b) REPORT.—The Comptroller General shall issue a
16 report to the Congress containing all findings and deter-
17 minations made in carrying out the study required under
18 subsection (a).

19 **SEC. 906. GAO STUDY ON CONSUMER REPORTING AGENCY**
20 **COMPLIANCE WITH CONSENT ORDERS.**

21 (a) STUDY.—The Comptroller General of the United
22 States shall carry out a study of the compliance by con-
23 sumer reporting agencies that compile and maintain files
24 on consumers on a nationwide basis with consent orders,
25 and the impact such compliance has on consumers.

1 (b) REPORT.—Not later than the end of the 180-day
2 period beginning on the date of enactment of this Act, the
3 Comptroller General shall issue a report to the Committee
4 on Financial Services of the House of Representatives and
5 the Committee on Banking, Housing, and Urban Affairs
6 of the Senate containing all findings and determinations
7 made in carrying out the study required under subsection
8 (a).

9 (c) DEFINITIONS.—In this section, the terms “con-
10 sumer” and “consumer reporting agency that compiles
11 and maintains files on consumers on a nationwide basis”
12 have the meaning given those terms, respectively, under
13 section 603 of the Fair Credit Reporting Act.

14 **SEC. 907. PROTECTIONS FOR ACTIVE DUTY UNIFORMED**
15 **CONSUMER.**

16 (a) DEFINITIONS.—Section 603 of the Fair Credit
17 Reporting Act (15 U.S.C. 1681a) is amended—

18 (1) in subsection (q), by amending paragraph
19 (1) to read as follows:

20 “(1) ACTIVE DUTY UNIFORMED CONSUMER.—
21 The term ‘active duty uniformed consumer’ means a
22 consumer who is—

23 “(A) in military service and on active serv-
24 ice (as defined in section 101(d) of title 10,
25 United States Code); or

1 “(B) a member of the uniformed services
2 (as defined in section 101(a) of title 10, United
3 States Code) who is not a member of the armed
4 forces and is on active service.”; and

5 (2) by inserting after subsection (dd) (as added
6 by section 901) the following:

7 “(ii) EXTENDED ACTIVE DUTY UNIFORMED CON-
8 SUMER.—The term ‘extended active duty uniformed con-
9 sumer’ means an active duty uniformed consumer that is
10 deployed—

11 “(1) in a combat zone (as defined under section
12 112(c) of the Internal Revenue Code of 1986); or

13 “(2) aboard a United States vessel.”.

14 (b) PROHIBITION ON INCLUDING CERTAIN ADVERSE
15 INFORMATION IN CONSUMER REPORTS.—Section 605 of
16 the Fair Credit Reporting Act (15 U.S.C. 1681c) is
17 amended—

18 (1) in subsection (a), as amended by section
19 809, by adding at the end the following:

20 “(19) Any item of adverse information about a
21 consumer, if the action or inaction that gave rise to
22 the item occurred while the consumer was an ex-
23 tended active duty uniformed consumer.”; and

24 (2) by inserting after subsection (h) (as added
25 by section 705) the following:

1 “(i) NOTICE OF STATUS AS AN EXTENDED ACTIVE
2 DUTY UNIFORMED CONSUMER.—With respect to an item
3 of adverse information about a consumer, if the action or
4 inaction that gave rise to the item occurred while the con-
5 sumer was an extended active duty uniformed consumer,
6 the consumer may provide appropriate proof, including of-
7 ficial orders, to a consumer reporting agency that the con-
8 sumer was an extended active duty uniformed consumer
9 at the time such action or inaction occurred. The con-
10 sumer reporting agency shall promptly delete that item of
11 adverse information from the file of the consumer and no-
12 tify the consumer and the furnisher of the information of
13 the deletion.”.

14 (c) COMMUNICATIONS BETWEEN THE CONSUMER
15 AND CONSUMER REPORTING AGENCIES.—Section 605A
16 of the Fair Credit Reporting Act (15 U.S.C. 1681e–1) is
17 amended—

18 (1) in subsection (c), as amended by section
19 803, by adding at the end the following:

20 “(2) NEGATIVE INFORMATION ALERT.—Any
21 time a consumer reporting agency receives an item
22 of adverse information about a consumer, if the con-
23 sumer has provided appropriate proof that the con-
24 sumer is an extended active duty uniformed con-

1 consumer, the consumer reporting agency shall prompt-
2 ly notify the consumer—

3 “(A) that the agency has received such
4 item of adverse information, along with a de-
5 scription of the item; and

6 “(B) the method by which the consumer
7 can dispute the validity of the item.

8 “(3) CONTACT INFORMATION FOR EXTENDED
9 ACTIVE DUTY UNIFORMED CONSUMERS.—With re-
10 spect to any consumer that has provided appropriate
11 proof to a consumer reporting agency that the con-
12 sumer is an extended active duty uniformed con-
13 sumer, if the consumer provides the consumer re-
14 porting agency with separate contact information to
15 be used when communicating with the consumer
16 while the consumer is an extended active duty uni-
17 formed consumer, the consumer reporting agency
18 shall use such contact information for all commu-
19 nications while the consumer is an extended active
20 duty uniformed consumer.”; and

21 (2) in subsection (e), by amending paragraph
22 (3) to read as follows:

23 “(3) subparagraphs (A) and (B) of subsection
24 (e)(1), in the case of a referral under subsection
25 (e)(1)(C).”.

1 (d) CONFORMING AMENDMENT.—The Fair Credit
2 Reporting Act (15 U.S.C. 1681 et seq.) is amended by
3 striking “active duty military” each place such term ap-
4 pears and inserting “active duty uniformed”.

5 (e) SENSE OF CONGRESS.—It is the sense of Con-
6 gress that any person making use of a consumer report
7 containing an item of adverse information should, if the
8 action or inaction that gave rise to the item occurred while
9 the consumer was an extended active duty uniformed con-
10 sumer, take such fact into account when evaluating the
11 creditworthiness of the consumer.

12 **SEC. 908. POSITIVE CREDIT REPORTING PERMITTED.**

13 (a) IN GENERAL.—Section 623 of the Fair Credit
14 Reporting Act (15 U.S.C. 1681s–2), as amended by sec-
15 tion 103, is further amended by adding at the end the
16 following new subsection:

17 “(g) FULL-FILE CREDIT REPORTING.—

18 “(1) IN GENERAL.—Subject to the require-
19 ments of paragraphs (2) through (5) and notwith-
20 standing any other provision of law, a person that
21 has obtained the written authorization of a con-
22 sumer may furnish to a consumer reporting agency
23 information relating to the performance of a con-
24 sumer in making payments—

1 “(A) under a lease agreement with respect
2 to a dwelling; or

3 “(B) pursuant to a contract for services
4 provided by a utility or telecommunication firm.

5 “(2) LIMITATIONS.—

6 “(A) WITHHELD PAYMENTS DUE TO HAB-
7 ITABILITY OR SANITARY CONDITIONS.—No per-
8 son shall furnish or threaten to furnish negative
9 information relating to the performance of a
10 consumer in making payments under a lease
11 agreement with respect to a dwelling if the con-
12 sumer has withheld payment pursuant to—

13 “(i) any right or remedy for breach of
14 the warranty of habitability; or

15 “(ii) any violation of a Federal, State,
16 or municipal law, code, or regulation re-
17 garding sanitary conditions.

18 “(B) SERVICES PROVIDED BY A UTILITY
19 OR TELECOMMUNICATION FIRM.—Information
20 about a consumer’s usage of any services pro-
21 vided by a utility or telecommunication firm
22 may be furnished to a consumer reporting agen-
23 cy only to the extent that such information re-
24 lates to—

1 “(i) payment by the consumer for
2 such services; or

3 “(ii) other terms of the provision of
4 such services to the consumer, including
5 any deposit, discount, or conditions for
6 interruption or termination of such serv-
7 ices.

8 “(3) PAYMENT PLAN.—A utility or tele-
9 communication firm may not report payment infor-
10 mation to a consumer reporting agency with respect
11 to an outstanding balance of a consumer as late if—

12 “(A) the utility or telecommunication firm
13 and the consumer have entered into a payment
14 plan (including a deferred payment agreement,
15 an arrearage management program, or a debt
16 forgiveness program) with respect to such out-
17 standing balance; and

18 “(B) the consumer is meeting the obliga-
19 tions of the payment plan, as determined by the
20 utility or telecommunication firm.

21 “(4) PROHIBITION ON USE BY DEBT COLLEC-
22 TORS.—A debt collector (as defined in section
23 803(6) of the Fair Debt Collection Practices Act)
24 may not use the information described in paragraph
25 (1).

1 “(5) RELATION TO STATE LAW.—Notwith-
2 standing section 625, this subsection shall not pre-
3 empt any law of a State with respect to furnishing
4 to a consumer reporting agency information relating
5 to the performance of a consumer in making pay-
6 ments pursuant to a lease agreement with respect to
7 a dwelling or a contract for a utility or telecommuni-
8 cations service. For purposes of this paragraph, the
9 term ‘law of a State’ shall include all laws, decisions,
10 rules, regulations, or other State action having the
11 effect of law, as issued by a State, any political sub-
12 divisions thereof, or any agency or instrumentality of
13 either the State or a political subdivision thereof.

14 “(6) UTILITY OR TELECOMMUNICATION FIRM
15 DEFINED.—In this subsection, the term ‘utility or
16 telecommunication firm’—

17 “(A) means an entity that provides utility
18 services to the public through pipe, wire,
19 landline, wireless, cable, or other connected fa-
20 cilities, or radio, electronic, or similar trans-
21 mission (including the extension of such facili-
22 ties); and

23 “(B) includes an entity that provides nat-
24 ural gas or electric service to consumers.”.

1 (b) GAO STUDY AND REPORT.—Not later than 2
2 years after the date of enactment of this Act, the Comp-
3 troller General of the United States shall submit to Con-
4 gress a report on the impact on consumers of furnishing
5 information pursuant to subsection (g) of section 623 of
6 the Fair Credit Reporting Act (15 U.S.C. 1681s–2), as
7 added by subsection (a).

8 **SEC. 909. SENSE OF CONGRESS.**

9 It is the sense of Congress that efforts to enhance
10 cybersecurity and implement routine security updates of
11 databases maintained by the nationwide consumer report-
12 ing agencies that contain sensitive consumer data, includ-
13 ing the credit history and personal information of millions
14 of Americans, is critical to the national interest of the
15 United States.

16 **SEC. 910. CYBERSECURITY SUPERVISION AND EXAMINA-**
17 **TION OF LARGE CONSUMER REPORTING**
18 **AGENCIES.**

19 (a) IN GENERAL.—The Fair Credit Reporting Act
20 (15 U.S.C. 1681 et seq.), as amended by section 706, is
21 further amended by adding at the end the following:

116TH CONGRESS
2^D SESSION

H. R. 3621

AN ACT

To amend the Fair Credit Reporting Act to remove adverse information for certain defaulted or delinquent private education loan borrowers who demonstrate a history of loan repayment, and for other purposes.