

114TH CONGRESS
2D SESSION

H. R. 5282

To amend the Fair Credit Reporting Act to improve the consumer reporting system, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2016

Ms. MAXINE WATERS of California introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Credit Reporting Act to improve the consumer reporting system, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Comprehensive Con-
5 sumer Credit Reporting Reform Act of 2016”.

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. Congressional findings.
- Sec. 4. Effective date.

TITLE I—FIXING THE DISPUTE PROCESS

- Sec. 101. Establishes a new right to appeal disputes completed by consumer reporting agencies and furnishers.
- Sec. 102. Creates reasonable dispute procedures for furnishers of information and meaningful disclosures to consumers about investigations; notices by furnishers to consumers of reporting of negative items to consumer reporting agencies.
- Sec. 103. Creates reasonable dispute procedures for consumer reporting agencies and meaningful disclosures to consumers about reinvestigations.
- Sec. 104. Increases consumers' awareness of dispute rights and tools for challenging errors.
- Sec. 105. Enhances accuracy and completeness duties for consumer reporting agencies and furnishers.
- Sec. 106. Requires furnishers to maintain records necessary to verify accuracy of disputes.
- Sec. 107. Establishes new requirements on consumer reporting agencies when notified of inaccurate or incomplete information from furnishers.
- Sec. 108. Indication of dispute by consumers and use of disputed information.
- Sec. 109. Inclusion of public record data sources in consumer reports.
- Sec. 110. Injunctive relief for victims.

TITLE II—RESTRICTING THE USE OF CREDIT CHECKS FOR EMPLOYMENT DECISIONS

- Sec. 201. Bans the use of credit information for most employment decisions.

TITLE III—REHABILITATING THE CREDIT STANDING OF STRUGGLING PRIVATE EDUCATION LOAN BORROWERS

- Sec. 301. Removes adverse information for certain defaulted or delinquent private education loan borrowers who demonstrate a history of loan repayment.
- Sec. 302. Private education loan definitions.

TITLE IV—RESTORING THE IMPAIRED CREDIT OF VICTIMS OF PREDATORY ACTIVITIES AND UNFAIR CONSUMER REPORTING PRACTICES

- Sec. 401. Shortens the time period that most adverse credit information stays on consumer reports.
- Sec. 402. Mandates the expedited removal of fully paid or settled debt from consumer reports.
- Sec. 403. Imposes restrictions on the appearance of medical collections on consumer reports and requires the expedited removal of fully paid or settled medical collections from consumer reports.
- Sec. 404. Provides credit restoration for victims of predatory mortgage lending and servicing.
- Sec. 405. Provides credit relief for private education loans borrowers who were defrauded or misled by proprietary education institution or career education programs.
- Sec. 406. Establishes right for victims of financial abuse to have adverse information associated with an abuser's fraudulent activity removed from their consumer reports.
- Sec. 407. Prohibits treatment of credit restoration or rehabilitation as adverse information.

TITLE V—MONITORING THE DEVELOPMENT AND USE OF CREDIT SCORES

- Sec. 501. Establishes clear Federal oversight of the development of credit scoring models by the Bureau.
- Sec. 502. Mandates ongoing review and reports to Congress by the Federal Housing Finance Agency on using additional, alternative, and updated credit scoring models as part of the criteria for loans purchased by Fannie Mae and Freddie Mac.
- Sec. 503. Requires a Bureau study and report to Congress on the impact of using non-traditional data.

TITLE VI—PROVIDING GREATER CONSUMER ACCESS TO AND UNDERSTANDING OF CONSUMER REPORTS AND CREDIT SCORES

- Sec. 601. Credit score and educational credit score definitions.
- Sec. 602. Expands explanatory information given to consumers about how scores are calculated.
- Sec. 603. Requires consumer reporting agencies to disclose prominently the differences between and limitations of credit scores and educational credit scores required prior to a consumer obtaining such scores.
- Sec. 604. Provides consumers with free credit score disclosures with their free annual consumer reports upon request and creates instances when consumers automatically receive free consumer reports and credit scores.
- Sec. 605. Requires private educational lenders to provide consumers with free copies of any consumer reports and credit scores that they used for underwriting before consumers sign loan agreements.
- Sec. 606. Requires motor vehicle lenders or indirect auto lenders to provide consumers with free copies of any consumer reports and credit scores that they used for underwriting before consumers sign lease or loan agreements.
- Sec. 607. Requires residential mortgage lenders to provide consumers with free copies of any consumer reports and credit scores that they used for underwriting before consumers sign loan agreements.

TITLE VII—BANNING MISLEADING AND UNFAIR CONSUMER REPORTING PRACTICES

- Sec. 701. Prohibits automatic renewals for consumer reporting and credit scoring products and services offered under promotional terms.
- Sec. 702. Bans misleading and deceptive marketing related to the provision of consumer reporting and credit scoring products and services.
- Sec. 703. Ends excessive direct-to-consumer sales by giving the Bureau authority to set fair and reasonable fees on consumer reporting and credit scoring products and services sold by consumer reporting agencies to consumers.
- Sec. 704. Promotes access to consumer reporting and credit scoring disclosures for consumers with limited English proficiency and visual and hearing impairments to enhance their ability to exercise their rights.
- Sec. 705. Establishes consumers' right to shop for the best deal on certain large dollar loans without harming their credit standing.

Sec. 706. Ends confusion about whether entities are engaged in consumer reporting practices by creating a nationwide consumer reporting agencies registry.

TITLE VIII—EXPANDING ACCESS TO TOOLS TO PROTECT VULNERABLE CONSUMERS FROM IDENTITY THEFT, FRAUD, OR A RELATED CRIME, AND PROTECT VICTIMS FROM FURTHER HARM

Sec. 801. Identity theft report definition.

Sec. 802. Credit freeze definition.

Sec. 803. Enhances fraud alert protections.

Sec. 804. Enhances access to credit freezes, limits the cost of such freezes, and provides access to free credit freezes for vulnerable consumers.

Sec. 805. Requires disclosure of consumer rights related to credit freezes.

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 related to days.

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. General Bureau rulemaking.

1 SEC. 3. CONGRESSIONAL FINDINGS.

2 Congress finds the following:

3 (1) GENERAL FINDINGS.—

4 (A) Consumer reporting agencies
 5 (“CRAs”) are companies that collect, compile,
 6 and provide information about consumers in the
 7 form of consumer reports, commonly referred to
 8 as credit reports for certain permissible statu-
 9 tory purposes. Data furnishers, such as credi-
 10 tors, lenders, and debt collection agencies, vol-
 11 untarily submit information to CRAs such as
 12 the total amount for each loan or credit limit

1 for each credit card and the consumer's pay-
2 ment history on these products. These reports
3 may also include information about companies
4 that have asked to see a consumer's credit re-
5 port, addresses, current and previous employ-
6 ers, and certain public records. The largest
7 CRAs in this country are referred to as nation-
8 wide CRAs, which currently include Equifax,
9 TransUnion, and Experian.

10 (B) In a December 2012 paper, "Key Di-
11 mensions and Processes in the U.S. Credit Re-
12 porting System: A review for how the nation's
13 largest credit bureaus manage consumer data",
14 the Bureau of Consumer Financial Protection
15 ("CFPB" or the "Bureau") noted that the
16 three nationwide CRAs maintain credit files on
17 approximately 200 million adults and receive in-
18 formation from about 10,000 furnishers. On a
19 monthly basis, these furnishers provide infor-
20 mation on over 1.3 billion consumer credit ac-
21 counts or other tradelines.

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

1 (D) Consumer reports play an increasingly
2 important role in the lives of American con-
3 sumers as most creditors are reviewing these re-
4 ports to make decisions about whether to ex-
5 tend credit and on what terms and conditions.
6 As such, information contained in a person's
7 credit report not only can affect whether a per-
8 son is able to get a private education to pay for
9 college costs, secure a mortgage to buy a home,
10 or to obtain a credit card, but also can affect
11 the consumer's cost of borrowing.

12 (E) Consumer reports are also increasingly
13 used for noncredit decisions, including by land-
14 lords to determine whether to rent an apart-
15 ment to a prospective tenant and by employers
16 to decide whether to hire potential job appli-
17 cants.

18 (F) Pursuant to the Federal Fair Credit
19 Reporting Act ("FCRA"), CRAs have a statu-
20 tory obligation to verify independently the accu-
21 racy and completeness of information included
22 on the reports that 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 CRAs to comply with accuracy require-
4 ments on their own, legislation is intended to
5 provide them with detailed guidance improving
6 the accuracy and completeness of information
7 contained in consumer reports, including proce-
8 dures, policies, and practices that these CRAs
9 should already be following to ensure full com-
10 pliance with their existing obligations.

11 (H) The presence of inaccurate or incom-
12 plete information on a person's report may re-
13 sult in substantial financial and emotional
14 harm. Credit reporting errors can lead to the
15 loss of new employment opportunities or a de-
16 nial of a promotion in an existing job, the in-
17 ability to obtain credit on favorable terms, the
18 inability to secure rental housing, the mental
19 distress of trying unsuccessfully to remove er-
20 rors from one's credit report, among other
21 types of harm.

22 (I) Current industry practices impose an
23 unfair burden of proof on consumers when try-
24 ing to fix errors on their reports.

1 (J) Consumer reports containing inac-
2 curate or incomplete credit information under-
3 mine the ability of creditors and lenders to ef-
4 fectively and accurately underwrite and price
5 credit.

6 (K) Recognizing that credit reporting af-
7 fects the lives of most Americans and that the
8 consequences of errors on a consumer report
9 can be catastrophic for a consumer the Bureau
10 began accepting consumer's complaints about
11 credit reporting in October 2012.

12 (L) As of August 2015, the Bureau has
13 handled approximately 105,500 credit reporting
14 complaints, making credit reporting the third
15 most-complained-about subject matter on which
16 the Bureau accepts consumer complaints. The
17 most common credit reporting problems identi-
18 fied by consumers relate to incorrect informa-
19 tion contained on consumer reports (comprising
20 a staggering 77 percent) and CRAs investiga-
21 tions (consisting of 9 percent). Other com-
22 plaints involve the inability to obtain a report or
23 score, the improper use of reports, and credit
24 monitoring or identity protection products and
25 services.

1 (M) The Bureau indicated in its “Monthly
2 Complaint Report Volume 2” released in Au-
3 gust 2015 that credit reporting complaints
4 showed the greatest month-over-month percent-
5 age increase (56 percent) as compared to the
6 other consumer complaints which the Bureau
7 currently tracks.

8 (N) The Bureau’s summer 2015 “Super-
9 visory Highlights” publication found that one or
10 more of the largest CRAs failed to adequately
11 oversee furnishers to ensure they were adhering
12 to the CRAs vetting policies and to establish
13 proper procedures to verify public record infor-
14 mation.

15 (O) A February 2014 Bureau report titled
16 “Credit Reporting Complaint Snapshot” found
17 that consumers are confused about the extent
18 to which the nationwide CRAs are required to
19 provide them with validation and documentation
20 of a debt which appears on their credit report.

21 (P) As evidence that the current system
22 lacks sufficient market incentives for CRAs to
23 develop more robust procedures to increase the
24 accuracy and completeness of information on
25 credit reports, litigation discovery documented

1 by the National Consumer Law Center, as part
2 of a January 2009 report entitled “Automated
3 Injustice: How a Mechanized Dispute System
4 Frustrates Consumers Seeking to Fix Errors in
5 Their Credit Reports”, showed that at least two
6 of the three largest CRAs use quota systems to
7 force employees to process disputes hastily and
8 without the opportunity for conducting mean-
9 ingful investigations. At least one nationwide
10 CRA only allowed dispute resolution staff five
11 minutes to handle a consumer’s call. Further-
12 more, these CRAs were found to award bonuses
13 for meeting quotas and punish those who didn’t
14 meet production numbers with probation.

15 (Q) Unlike most other business relation-
16 ships, where consumers can register their satis-
17 faction or dissatisfaction with a particular prod-
18 uct or service by taking their business else-
19 where, consumers have no say in whether their
20 information is included in the CRAs databases
21 and limited legal remedies to hold the CRAs ac-
22 countable for inaccuracies or poor service.

23 (R) Accordingly, despite the existing statu-
24 tory mandate for CRAs to follow reasonable
25 procedures to assure the maximum possible ac-

1 accuracy of the information whenever they pre-
2 pare consumer reports, numerous studies and
3 the high volume of consumer complaints sub-
4 mitted to the Bureau about incorrect informa-
5 tion on consumer reports demonstrates that
6 these CRAs continue to skirt their obligations
7 under the law, year after year.

8 (2) INCORRECT INFORMATION ON CONSUMER
9 REPORTS.—

10 (A) Consumers are entitled to dispute er-
11 rors on their consumer reports with either the
12 CRA or directly with furnishers and request
13 mistakes be deleted or removed. Consumers who
14 believe an investigation has not correctly re-
15 solved their dispute have few options other than
16 requesting that a statement about the dispute
17 be included with their future reports.

18 (B) CRAs have a statutory obligation
19 under the FCRA to conduct a reasonable inves-
20 tigation by conducting a substantive and
21 searching inquiry when a consumer disputes an
22 item on their report. In doing so, CRAs must
23 conduct an independent review about the accu-
24 racy of any disputed item and cannot merely
25 rely on a furnisher's rubber-stamp verification

1 of the integrity of the information they have
2 provided to CRAs.

3 (C) The Federal Trade Commission (FTC)
4 in a “Report to Congress Under Section 319 of
5 the Fair and Accurate Credit Transactions Act
6 of 2003” released in December 2012 found that
7 26 percent of survey participants identified at
8 least one potentially material error on their con-
9 sumer reports, and 13 percent experienced a
10 change in their credit score once the error was
11 fixed.

12 (D) Bureau examiners have identified re-
13 peated deficiencies with the nationwide CRAs’
14 information collection. In the summer 2015
15 “Supervisory Highlights” released in June
16 2015, the Bureau noted continued weaknesses
17 with CRAs’ methods and processes for assuring
18 maximum possible accuracy in consumer re-
19 ports. Bureau examiners found, with certain ex-
20 ceptions, no quality control policies and proce-
21 dures to test consumer reports for accuracy.

22 (E) In its “Credit Reporting Complaint
23 Snapshot” released in February 2014, the Bu-
24 reau found that consumers were uncertain
25 about the depth and validity of the investiga-

1 tions performed. Consumers also expressed
2 frustration that even though they provided sup-
3 porting materials that they believed dem-
4 onstrated the inaccuracy of the information pro-
5 vided by furnishers, errors continued to remain
6 on their reports.

7 (F) Bureau examiners noted in the winter
8 2015 “Supervisory Highlights” released in
9 March 2015 that one or more nationwide CRAs
10 failed to adequately fulfill their dispute-han-
11 dling obligations, including by not forwarding
12 all relevant information found in letters and
13 supporting documents supplied by consumers
14 when they submitted disputes to furnishers,
15 failing to notify consumers that they had com-
16 pleted their investigations, and not providing
17 consumers with the results of the CRAs’ re-
18 views about their dispute claims.

19 (G) Consumers’ increasing frustration
20 about the difficulties of trying to fix credit re-
21 porting evidence through the volume of con-
22 sumer complaints errors submitted to the Bu-
23 reau, are also echoed in another FTC study on
24 credit report accuracy issued in January 2015.
25 In the “Report to Congress under Section 319

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

13 (H) The increasing number of consumer
14 complaints about incorrect information to the
15 Bureau, coupled with the largest CRAs’ re-
16 peated quality control weaknesses found by Bu-
17 reau examiners, show that the nationwide CRAs
18 have failed to establish and follow reasonable
19 procedures to assure maximum accuracy of in-
20 formation and to conduct independent inves-
21 tigations of consumers’ dispute claims. These
22 ongoing problems demonstrate the need for leg-
23 islation to—

24 (i) enhance obligations on furnishers
25 to substantiate information and require

1 furnishers to keep records for the same
2 amount of time that adverse information
3 about these accounts may appear on a per-
4 son's consumer report;

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

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

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

24 (3) INJUNCTIVE RELIEF.—

1 (A) Despite the fact that the FCRA cur-
2 rently provides implicit authority for injunctive
3 relief, consumers have been prevented from ex-
4 ercising this right. Legislation explicitly clari-
5 fying this right is intended to underscore con-
6 gressional intent that injunctive relief should be
7 viewed as a remedy available to consumers.

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

16 (C) Providing courts with explicit authority
17 to issue injunctive relief, by telling the CRAs to
18 remedy unlawful practices and procedures,
19 would further CRAs' mandate under the FCRA
20 to assure the maximum possible accuracy and
21 completeness of credit 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; dismissing any monetary settlements

1 with individual consumers and State attorneys
2 general as the cost of doing business.

3 (4) USE OF CREDIT REPORTS FOR EMPLOY-
4 MENT PURPOSES.—

5 (A) The use of credit reports as a factor
6 in making hiring decisions has been found to be
7 prevalent in a diverse array of occupations and
8 is not limited to high-level positions.

9 (B) According to the California Labor
10 Federation, only 25 percent of employers re-
11 searched the credit history of job applicants in
12 1998. However, this practice had increased to
13 43 percent by 2006 and to 60 percent by 2011.

14 (C) A study entitled, “Do Job Applicant
15 Credit Histories Predict Job Performance Ap-
16 praisal Ratings or Termination Decisions?”
17 published in 2012 found that, while credit his-
18 tory might conceptually measure a person’s
19 level of responsibility, ability to meet deadlines,
20 dependability, or integrity, it does not, in prac-
21 tice, actually predict an employee’s performance
22 or turnover because credit reports contain many
23 inaccuracies and credit history can be contami-
24 nated by events outside a person’s control, such
25 as the effects of divorce, death, and accidents

1 on a person's finances and ability to meet dead-
2 lines, past youthful naivety, and economic
3 shocks. The study found that there is no benefit
4 from using credit history to predict job per-
5 formance or turnover.

6 (D) Despite the absence of data showing a
7 correlation between job performance and credit
8 worthiness, employers continue to use credit
9 checks as a proxy for assessing character and
10 integrity. According to a 2012 Society for
11 Human Resource Management survey, organi-
12 zations indicated that they used credit checks
13 on job candidates primarily to reduce or prevent
14 theft and embezzlement and to minimize legal
15 liability for negligent hiring.

16 (E) The use of credit checks for employ-
17 ment purposes creates a true "catch-22" for
18 unemployed people with impaired credit. For
19 example, the financial hardship caused by losing
20 a job may cause some unemployed individuals
21 to make late or partial payments on their bills,
22 but their poor credit standing caused by this
23 negative information on their consumer report
24 can impede their chances of obtaining a new job
25 to end the financial distress.

1 (F) A September 2014 report by the New
2 York City Council’s Committee on Civil Rights
3 noted that, for those who have been unemployed
4 for an extended period of time and whose credit
5 has suffered as they fell behind on bills, the use
6 of credit reports in the hiring process can exac-
7 erbate and perpetuate an already precarious sit-
8 uation.

9 (G) A March 2013 Demos report titled
10 “Discredited: How Employment Credit Checks
11 Keep Out Qualified Workers Out of a Job”
12 found that one in four survey participants who
13 were unemployed said that a potential employer
14 had requested to check their credit report as
15 part of a job application. Among job applicants
16 with blemished credit histories, one in seven
17 had been advised that they were not being hired
18 because of their credit history.

19 (H) While job applicants must give prior
20 approval for a current or prospective employer
21 to pull their credit reports under the FCRA, as
22 a practical matter, this authorization does not
23 constitute an effective consumer protection be-
24 cause an employer may reject any job applicant
25 who refuses a credit check.

1 (I) Credit reports generally do not reflect
2 the uncontrollable circumstances that may have
3 contributed to or caused a person's debts or
4 late payments, such as the loss of a job, a med-
5 ical crisis, or a divorce.

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

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

1 lower credit scores as compared with counties
2 that had a lower concentration of communities
3 of color.

4 (L) Because Latino and African-American
5 households tend, on average, to have lower
6 credit scores than White households, credit
7 checks may disproportionately screen minorities
8 out of jobs, leading to discriminatory hiring
9 practices, and further exacerbating the trend
10 where unemployment for Latino and African-
11 American communities is elevated well above
12 the rate of Whites.

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

18 (5) PRIVATE EDUCATION LOANS.—

19 (A) The Bureau’s October 2014 report ti-
20 tled “Annual Report of the CFPB Student
21 Loan Ombudsman” noted many private edu-
22 cation loan borrowers who sought to negotiate
23 a modified repayment plan when they were ex-
24 perienicing a period of financial distress were
25 unable to get such assistance from their loan

1 holders, often resulting in them defaulting on
2 their loans. This pattern closely resembles the
3 difficulty that a significant number of mortgage
4 loan borrowers experienced when they sought to
5 take responsible steps to work with their mort-
6 gage servicer to avoid foreclosure during the
7 Great Recession.

8 (B) Although private student loan holders
9 may allow a borrower to postpone payments
10 while enrolled in school full-time, many limit
11 this option to a certain time period, usually 48
12 to 66 months. This limited time period may not
13 be sufficient for those who need additional time
14 to obtain their degree or who want to continue
15 their education by pursuing a graduate or profes-
16 sional degree. The Bureau found that borrowers
17 who were unable to make payments often de-
18 faulted or had their accounts sent to collections
19 before they were able to graduate.

20 (6) DECEPTIVE PRACTICES AT CERTAIN PRO-
21 PRIETARY EDUCATION INSTITUTIONS AND CAREER
22 EDUCATION PROGRAMS.—

23 (A) The for-profit college sector has come
24 under heavy State and Federal scrutiny after
25 the closure and bankruptcy of Corinthian Col-

leges, which was found to have deceived students by steering them into high-interest student loans based on graduation rates and employment data. Even after its closure, Corinthian students remain saddled with debt, worthless degrees, and few prospects for employment.

(B) Attending a two-year, for-profit college costs, on average, four times as much as attending a community college. Students at for-profit colleges represent only about 11 percent of the total higher education population but a startling 44 percent of all Federal student loan defaults, according to the United States Department of Education (“DOE”).

(C) As highlighted in a press release titled, “Obama Administration Announces Final Rules to Protect Students from Poor-Performing Career College Programs” that was issued by the DOE on October 30, 2014, “[t]oo often, students at career colleges—including thousands of veterans—are charged excessive costs, but don’t get the education they paid for. Instead, students in such programs are provided with poor quality training, often for low-wage jobs or in occupations where there are simply no job op-

1 portunities. They find themselves with large
2 amounts of debt and, too often, end up in de-
3 fault. In many cases, students are drawn into
4 these programs with confusing or misleading in-
5 formation.”.

6 (7) MEDICAL DEBT.—

7 (A) The Bureau’s research on credit re-
8 porting and credit scoring has found that the
9 inclusion of medical debt collection information
10 on consumer reports has unfairly reduced con-
11 sumers’ credit scores.

12 (B) The Bureau’s review of 5 million
13 anonymized credit files from September 2011 to
14 September 2013 found that credit scores may
15 underestimate a person’s creditworthiness by up
16 to 10 points for those who owe medical debt,
17 and may underestimate a person’s creditworthi-
18 ness by up to 22 points after the medical debt
19 has been paid. For consumers with lower credit
20 scores, especially those on the brink of what is
21 considered subprime, a 10 to 22 point decrease
22 in their credit scores can have a significant im-
23 pact on their lives, including by affecting
24 whether they are able to qualify for credit and,
25 if so, the terms and conditions under which it

1 is extended to them. The differences in peoples'
2 credit scores because of medical debt could un-
3 fairly cost them tens of thousands of dollars on
4 large loans such as mortgages.

5 (C) The Bureau found that half of all col-
6 lections tradelines that appear on consumer re-
7 ports are related to medical bills claimed to be
8 owed to hospitals and other medical providers.
9 These tradelines affect the credit reports of
10 nearly $\frac{1}{5}$ of all consumers in the credit report-
11 ing system.

12 (D) The Bureau concluded that there are
13 no objective or enforceable standards that de-
14 termine when a debt can or should be reported
15 as a collection tradeline. Because debt buyers
16 and collectors determine whether, when, and for
17 how long to report a collection account, there is
18 only a limited relationship between the time pe-
19 riod reported, the severity of a delinquency, and
20 when or whether a collection tradeline appears
21 on a consumer's credit report.

22 (E) Medical patients may be uncertain
23 about what they owe, to whom, when, or for
24 what, causing some consumers who ordinarily
25 pay their bills on time to delay or withhold pay-

1 ments on medical debts. In many instances,
2 consumers’ uncertainty about medical bills can
3 result in medical debt collections appearing on
4 their consumer reports. In a December 2014 re-
5 port titled “Consumer Credit Reports: A Study
6 of Medical and Non-Medical Collections”, the
7 Bureau found that a large portion of consumers
8 with medical debts in collections show no other
9 evidence of financial distress and are consumers
10 who ordinarily pay their other financial obliga-
11 tions on time. Unlike credit cards, installment
12 loans, utilities, or wireless or cable services that
13 have contractual account disclosures describing
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 treatment or procedure be-
19 fore the service is rendered.

20 (F) The Bureau concluded that the pres-
21 ence of medical collections is less predictive of
22 future defaults or serious delinquencies than
23 the presence of a nonmedical collection in a
24 study titled “Data Point: Medical Debt and
25 Credit Scores” issued in May 2014.

1 (G) In March 2013, VantageScore released
2 a new credit scoring model (VantageScore 3.0)
3 that excludes all paid collections. In April 2014,
4 FICO announced that its new credit scoring
5 model (FICO '09) excludes any record of a con-
6 sumer failing to pay a bill if the bill has been
7 paid or settled with a collection agency and also
8 gives less weight to unpaid medical bills that
9 are with a collection agency. Many Americans,
10 therefore, could see significant improvements in
11 their credit scores if creditors and lenders used
12 the latest versions of credit scoring models that
13 treat medical debt differently.

14 (8) FINANCIAL ABUSE BY KNOWN PERSONS.—

15 (A) Financial abuse is frequently associ-
16 ated with domestic violence. Financial abuse in
17 a relationship may result in fraudulent charges
18 to a credit card, or having fraudulent loans
19 taken out or accounts created by the abuser in
20 the survivor's name. Financial abuse may also
21 result in the survivor's inability to make valid
22 payments because of lost income when the
23 abuser steals from or coerces the survivor to re-
24 linquish their paychecks.

1 (B) By racking up substantial debts in the
2 survivor's name, abusers are able to exercise
3 control and make it harder for the survivor,
4 whose credit is often destroyed in the process,
5 to escape.

6 (C) Domestic abuse survivors with tar-
7 nished credit reports are likely to face signifi-
8 cant obstacles in establishing financial inde-
9 pendence from their abusers. This is because
10 credit reports often determine a consumer's
11 ability to obtain a checking account, housing,
12 insurance, utilities, employment, and even a se-
13 curity clearance as required for certain jobs.

14 (D) While in many cases, identity thieves
15 are individuals who are actually known to the
16 survivor, providing documentation of identity
17 theft in order to dispute information on one's
18 consumer report can be particularly challenging
19 for those who know their financial abuser.

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

1 of financial abuse involving a known person
2 from involving the police.

3 (F) According to domestic violence advo-
4 cates at the Legal Aid Society in New York, do-
5 mestic abuse survivors seeking to remove ad-
6 verse information stemming from financial
7 abuse by contacting their creditors directly are
8 likely to face skepticism about claims of identity
9 theft perpetrated by a spouse because of an as-
10 sumption that the individual was aware of and
11 may have been complicit in the activity which
12 the survivor alleges stems from financial abuse.

13 (9) GSE'S IMPACT ON THE USE OF UPDATED
14 VERSIONS OR ADDITIONAL CREDIT SCORING MODELS
15 BY MORTGAGE LENDERS.—

16 (A) Despite innovation in understanding
17 consumer behavior and credit scoring analytics,
18 many creditors and lenders, particularly mort-
19 gage lenders, continue to use older versions of
20 credit scoring models and algorithms.

21 (B) Lenders that originate residential
22 mortgage loans generally adhere to the under-
23 writing guidelines set by Fannie Mae and
24 Freddie Mac, which reference the 2004 FICO
25 credit scoring model (developed more than a

decade ago), not the most recent version developed in 2009 (that was released in 2014).

(C) Despite changes in recent years to credit scoring models offered by major credit scoring developers VantageScore and FICO to reflect current research about consumer behavior and creditworthiness, it is likely that paid collections (medical or otherwise) will continue to be factored into the risk level of each consumer shopping for credit because only a small percentage of creditors may actually be using the latest models.

(10) CONSUMERS' CONFUSION ABOUT CONSUMER REPORTS AND CREDIT SCORES.—

(A) A July 2011 Bureau report titled “The Impact of Differences between Consumer- and Creditor-Purchased Credit Scores” found that the credit scores made available to and purchased by consumers are unlikely to be the same credit scores used by creditors and lenders.

(B) That report found that the scarcity of public educational tools to inform consumers of the differences among credit scores, the large combined market share and brand recognition

1 of FICO credit scores, and the marketing prac-
2 tices of some credit score sellers may perpetuate
3 consumers' confusion about credit scores. Con-
4 sumers may be purchasing an educational credit
5 score or subscribing to a credit monitoring serv-
6 ice sold by CRAs without realizing the limita-
7 tions and usefulness of these products and serv-
8 ices.

9 (C) A September 2012 Bureau report ti-
10 tled "Analysis of Differences between
11 Consumer- and Creditor-Purchased Credit
12 Scores" found different types of scores, such as
13 those provided by FICO, VantageScore, or
14 other educational scores, vary greatly. The re-
15 port noted that consumers do not know before
16 they purchase a score from a CRA whether this
17 score will closely track or vary significantly
18 from the score sold to creditors or lenders. Due
19 to this lack of transparency and the resulting
20 consumer confusion, the Bureau recommended
21 that companies selling scores to consumers in-
22 form them that the scores that they are pur-
23 chasing can vary, sometimes substantially, from
24 the scores that are sold to and used by creditors
25 and lenders. Absent increased transparency a

1 substantial number of consumers will continue
2 to hold misleading and inaccurate views of their
3 own creditworthiness that may impact how and
4 whether they shop for credit.

5 (D) In February 2011, a Consumer Fed-
6 eration of America and VantageScore study also
7 found that the general public lacks a clear un-
8 derstanding of what credit scores represent.
9 The report found that half of the consumers
10 surveyed did not know that a credit score is de-
11 signed to indicate the risk of not repaying a
12 loan. Consumers also did not know who makes
13 credit scores available, what numerical range
14 constitutes excellent credit standing, or the fi-
15 nancial implications of having a low credit
16 score.

17 (E) Many consumers do not realize that
18 they have more than just “one” credit score.
19 Because the submission of credit information to
20 CRAs is voluntary and not all furnishers submit
21 information to every CRA, the information con-
22 tained in a consumer’s credit report also varies
23 among CRAs. As a result, the credit score gen-
24 erated by each CRA is likely to vary, resulting
25 in potentially different credit decisions based on

1 an evaluation of different credit reports ob-
2 tained from different CRAs.

3 (F) A February 2015 Bureau report titled
4 “Consumer Voices on Credit Reports and
5 Scores” found that consumers had questions
6 about what actions to take to improve their
7 scores once they had seen them, suggesting that
8 additional disclosures and educational content is
9 necessary. The Bureau found that consumers
10 were confused by conflicting advice on how to
11 improve their scores.

12 (G) That report noted that consumers
13 found the process for obtaining consumer re-
14 ports and credit scores confusing. Consumers
15 also were uncertain whether and under what
16 circumstances they could obtain a consumer re-
17 port for free.

18 (11) DECEPTIVE AND MISLEADING MARKETING
19 PRACTICES.—

20 (A) The Bureau’s February 2015 report ti-
21 tled “Consumer Voices on Credit Reports and
22 Scores” found that some consumers did not
23 check their consumer report because of con-
24 cerns about security or being trapped into pur-

1 chasing unwanted products like an additional
2 report or a credit monitoring service.

3 (B) CRAs frequently lure consumers into
4 purchasing products and services that they may
5 not want or need by offering such products or
6 services “free of charge” for an introductory
7 trial period before such products automatically
8 convert into an ongoing subscription service at
9 the regular price until the offer is cancelled.

10 (C) Given the ubiquitous use of consumer
11 reports in consumers’ lives and the fact that
12 consumers’ participation in the credit reporting
13 system is involuntary, CRAs should prioritize
14 providing consumers with the effective means to
15 safeguard their personal and financial informa-
16 tion and improve their credit standing, rather
17 than seeking to exploit consumers’ concerns for
18 their companies’ financial gain.

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

25 (12) LOAN COMPARISON SHOPPING.—

1 (A) The Bureau’s February 2015 report ti-
2 tled “Consumer Voices on Credit Reports and
3 Scores” found that while consumers stand to
4 benefit when they shop for credit, some con-
5 sumers are reluctant to shop for loans and
6 other types of consumer credit products out of
7 fear that in doing so they will harm their credit
8 scores.

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

17 (C) The Bureau revealed that a consumer
18 with an accurate perception of his or her credit
19 standing may be better equipped to shop for fa-
20 vorable credit terms.

21 (13) PROTECTIONS FOR CONSUMERS’ CREDIT
22 INFORMATION.—

23 (A) Despite heightened awareness, inci-
24 dents of identity theft continue to rise. In Feb-
25 ruary 2015 the FTC reported that identity

1 theft was the top consumer complaint that it
2 received for the 15th consecutive year. As these
3 incidents continue to rise, consumers experience
4 significant financial loss and emotional distress
5 from the inability to safeguard effectively and
6 inexpensively their credit information from bad
7 actors.

8 (B) 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 United States resi-
14 dents age 16 or older (about 17.6 million per-
15 sons) were victims of one or more incidents of
16 ID theft in 2014, and the number of elderly vic-
17 tims age 65 or older (about 86 percent) in-
18 creased from 2.1 million in 2012 to 2.6 million
19 in 2014.

20 (C) Consumers report that they are ex-
21 tremely worried about the security of their fi-
22 nancial information. According to a 2015
23 MasterCard survey, a majority of consumers
24 (77 percent) are anxious about their financial
25 information and Social Security numbers being

1 stolen or compromised, with about 55 percent
2 of consumers indicating that they would rather
3 have naked pictures of themselves leaked online
4 than have their financial information stolen.

5 (D) The 2015 MasterCard survey revealed
6 that consumers' concerns about the online secu-
7 rity of their financial information even out-
8 weighed consumers' worries about other phys-
9 ical security dangers such as having their
10 houses robbed (59 percent) or being
11 pickpocketed (46 percent).

12 (E) Despite the increasing risks consumers
13 face, there is no Federal requirement that en-
14 sures victims, the elderly and other vulnerable
15 consumers have access to credit freezes, the
16 best tool for protecting against new account
17 fraud, free of charge. Nor is there a Federal re-
18 quirement to ensure that consumers regardless
19 of where they live can proactively place a credit
20 freeze on their consumer report to guard
21 against the risk of identity theft and fraud for
22 a fair and reasonable fee.

23 (F) As a result of varying State laws,
24 many consumers may be unable to quickly lift
25 a credit freeze they place on their consumer re-

1 port, either for a specific creditor or category of
2 creditors, when the time comes for the con-
3 sumer to obtain credit. Indeed, many consumers
4 may not be taking advantage of existing credit
5 freeze rights provided at the State level if they
6 perceive the benefits of this protection to be
7 outweighed by the burden associated with using
8 it.

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

20 **SEC. 4. EFFECTIVE DATE.**

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

1 **TITLE I—FIXING THE DISPUTE**
2 **PROCESS**

3 **SEC. 101. ESTABLISHES A NEW RIGHT TO APPEAL DIS-**
4 **PUTES COMPLETED BY CONSUMER REPORT-**
5 **ING AGENCIES AND FURNISHERS.**

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

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

11 “(1) REINVESTIGATIONS REQUIRED.—

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

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

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

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

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

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

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

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

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

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

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

1 that was submitted to the consumer reporting
2 agency.

3 “(B) PROVISION OF ADDITIONAL INFORMA-
4 TION REGARDING DISPUTE AFTER NOTIFICA-
5 TION TO THE FURNISHER OF INFORMATION.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17 “(ii) a statement informing the con-
18 sumer as to whether the disputed informa-
19 tion was determined to be inaccurate, in-
20 complete, or unverifiable, including a state-
21 ment of the specific reasons supporting the
22 determination;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (2) TECHNICAL AMENDMENT.—Paragraph (1)
2 of such section (15 U.S.C. 1681i(e)(1)) is amended
3 by striking “The Commission” and inserting “The
4 Bureau”.

5 (d) CONFORMING AMENDMENTS.—Such Act is fur-
6 ther amended—

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

9 (2) in section 611—

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

13 (B) in subsection (f)(3)—

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

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

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

23 (e) GLOBAL TECHNICAL CORRECTIONS TO REF-
24 ERENCES TO NATIONWIDE SPECIALTY CONSUMER RE-
25 PORTING AGENCY.—Such Act is further amended—

1 (1) by striking “section 603(w)” and inserting
 2 “section 603(x)” each place such term appears; and
 3 (2) in section 612(a)(1)(A), by striking “(w)”
 4 and inserting “(x)”.

5 **SEC. 102. CREATES REASONABLE DISPUTE PROCEDURES**
 6 **FOR FURNISHERS OF INFORMATION AND**
 7 **MEANINGFUL DISCLOSURES TO CONSUMERS**
 8 **ABOUT INVESTIGATIONS; NOTICES BY FUR-**
 9 **NISHERS TO CONSUMERS OF REPORTING OF**
 10 **NEGATIVE ITEMS TO CONSUMER REPORTING**
 11 **AGENCIES.**

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

15 “(g) INCREASED CONSUMER AWARENESS OF DIS-
 16 PUTE RIGHTS.—

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

21 “(A) establish an Internet website acces-
 22 sible to consumers; and

23 “(B) post on the home page of such
 24 website a hyperlink to a separate webpage es-
 25 tablished and maintained solely for the purpose

1 of providing information to a consumer about
2 how to dispute an item of information in the
3 consumer report of the consumer.

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

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

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

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

22 “(D) shall include a clear and concise ex-
23 planation of and the process for using electronic
24 or other means to submit such documents, free

1 of charge, and without any character or data
2 limitation imposed by the agency;

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

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

20 “(G) shall provide translations of all infor-
21 mation on the webpage in each of the 10 most
22 commonly spoken languages, other than
23 English, in the United States, as determined by
24 the Bureau of the Census on an ongoing basis,

1 and in formats accessible to individuals with
2 hearing or vision impairments.”.

3 **SEC. 103. CREATES REASONABLE DISPUTE PROCEDURES**
4 **FOR CONSUMER REPORTING AGENCIES AND**
5 **MEANINGFUL DISCLOSURES TO CONSUMERS**
6 **ABOUT REINVESTIGATIONS.**

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

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

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

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

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. INCREASES CONSUMERS’ AWARENESS OF DIS-**
 14 **PUTE RIGHTS AND TOOLS FOR CHAL-**
 15 **LENGING ERRORS.**

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

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

21 (2) in paragraph (1)—

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

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

1 (3) in paragraph (8)—

2 (A) in subparagraph (A), by inserting

3 “and completeness” after “accuracy”; and

4 (B) in subparagraph (D), by inserting “or

5 completeness” after “accuracy”.

6 (b) NEGATIVE INFORMATION NOTICES TO CON-

7 SUMERS.—Section 623(a)(7) (15 U.S.C. 1681s–2(a)(7))

8 of such Act is amended to read as follows:

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 such Act (15 U.S.C. 1681s–2(a)(8)) is
 16 amended by striking subparagraph (F) and redesignating
 17 subparagraph (G) as subparagraph (F).

18 (e) ADDITIONAL DUTIES.—Section 623(a)(8) of such
 19 Act (15 U.S.C. 1681s–2(a)(8)) is further amended by add-
 20 ing at the end the following new subparagraphs:

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

sumer reporting agency of an item of information being disputed by a consumer, the person, at a minimum—

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

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

“(iii) shall verify that the personally identifiable information of the consumer submitting the dispute matches the personally identifiable information contained on such records;

“(iv) shall conduct a reasonable review to determine whether the disputed information is accurate, complete, and can be verified that considers all the information, including any substantiating documents, provided by the consumer about the 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. ENHANCES ACCURACY AND COMPLETENESS DU-**
8 **TIES FOR CONSUMER REPORTING AGENCIES**
9 **AND FURNISHERS.**

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

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

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

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

22 “(1) IN GENERAL.—Within 120 days after the
23 date of receipt of the results of a reinvestigation
24 conducted under subsection (a), a consumer (or au-
25 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 (g)),
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 business day extension described under sub-
13 paragraph (G), as applicable) the furnisher
14 shall provide the consumer with written notice
15 of the results of the appeal by mail or, if re-
16 quested by the consumer, by other means. The
17 contents of 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

statement directly to each consumer reporting agency that received the information; and

“(vi) a notification that the consumer may request the furnisher to submit to each consumer reporting agency the consumer’s request to furnish notifications pursuant to section 611(d) (relating to furnishing notifications to certain users of consumer reports).”.

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

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

(1) in subsection (c)—

(A) by striking “Commission” and inserting “Bureau” each place that term appears;

(B) in the subsection heading, by striking “RIGHTS TO OBTAIN AND DISPUTE INFORMATION IN CONSUMER REPORTS AND TO OBTAIN CREDIT SCORES” and inserting “KEY CONSUMER 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 subsections (f),
11 (g), (i), or (j) or section 612”;

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

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

16 (IV) in clause (v), by striking
17 “and” at the end;

18 (V) by inserting after clause (iii)
19 the following new clause:

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

1 (VI) by adding at the end the fol-
2 lowing new clauses:

3 “(vi) the method and circumstances
4 under which certain consumers can partici-
5 pate in credit rehabilitation or restoration
6 under section 605C, 605D, or 605E; and

7 “(vii) the method and circumstances
8 under which consumers can obtain a 1-
9 year fraud alert, 7-year fraud alert, active
10 duty alert, or credit freeze as described in
11 section 605A through a consumer report-
12 ing agency described under section
13 603(p).”;

14 (iii) in subparagraph (C), by inserting
15 “and the Commission” after “Bureau”;
16 and

17 (iv) by adding at the end the following
18 new subparagraph:

19 “(D) PUBLICATION OF SUMMARY
20 RIGHTS.—A consumer reporting agency de-
21 scribed under subsection (p) or (x) of section
22 603 shall display in a clear and conspicuous
23 manner, including on the Internet website of
24 the consumer reporting agency, the summary of

1 rights prepared by the Bureau under this para-
 2 graph.”; and

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

5 **SEC. 106. REQUIRES FURNISHERS TO MAINTAIN RECORDS**
 6 **NECESSARY TO VERIFY ACCURACY OF DIS-**
 7 **PUTES.**

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

12 “(i) **REQUIREMENT TO SEND REVISED CONSUMER**
 13 **REPORT TO CONSUMER.**—Upon receiving a notice de-
 14 scribed in section 623(a)(8)(E)(iv), each consumer report-
 15 ing agency shall send to the consumer a revised consumer
 16 report and credit score or education credit score (if appli-
 17 cable) based upon the consumer’s file as that file was
 18 changed as a result of the investigation.”.

19 **SEC. 107. ESTABLISHES NEW REQUIREMENTS ON CON-**
 20 **SUMER REPORTING AGENCIES WHEN NOTI-**
 21 **FIED OF INACCURATE OR INCOMPLETE IN-**
 22 **FORMATION FROM FURNISHERS.**

23 Section 605(e) of the Fair Credit Reporting Act (15
 24 U.S.C. 1681e) (as so redesignated by section 401(a)(2))
 25 is amended to read as follows:

1 “(e) INDICATION OF DISPUTE.—

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

7 “(A) a consumer disputes the completeness
8 or accuracy of any item of information con-
9 tained in a consumer’s file pursuant to section
10 611(a)(1);

11 “(B) a consumer files with a consumer re-
12 porting agency an appeal of a reinvestigation
13 pursuant to section 611(h); or

14 “(C) the consumer reporting agency is no-
15 tified by a person that furnished any items of
16 information that are currently in dispute by the
17 consumer that—

18 “(i) a consumer disputes the com-
19 pleteness or accuracy of any information
20 furnished by a person to any consumer re-
21 porting agency pursuant to paragraph (3)
22 or (8) of section 623(a); or

23 “(ii) a consumer submits a notice of
24 appeal under section 623(a)(10).

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

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

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

17 **SEC. 108. INDICATION OF DISPUTE BY CONSUMERS AND**
 18 **USE OF DISPUTED INFORMATION.**

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

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

22 “(1) IN GENERAL.—In preparing a consumer
 23 report, a consumer reporting agency shall maintain
 24 reasonable procedures to ensure maximum possible
 25 accuracy and completeness of the information con-

1 cerning the individual to whom the consumer report
2 relates.

3 “(2) BUREAU RULE TO ASSURE MAXIMUM POS-
4 SIBLE ACCURACY AND COMPLETENESS WITH CREDIT
5 REPORTING PRACTICES.—

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

10 “(B) REQUIREMENTS.—In formulating the
11 rule required under subparagraph (A), the Bu-
12 reau shall—

13 “(i) develop standards for matching
14 the personally identifiable information in-
15 cluded in the consumer’s file with the per-
16 sonally identifiable information furnished
17 by the person who provided the informa-
18 tion to the consumer reporting agency
19 (hereafter in this subsection referred to as
20 the ‘furnisher’), including the full name of
21 a consumer, the date of birth of a con-
22 sumer, the full social security number of a
23 consumer, and any other information that
24 the Bureau determines would aid in assur-

1 ing maximum possible accuracy and com-
2 pleteness of such consumer reports;

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

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

21 “(iv) establish procedures to require
22 each consumer reporting agency to review
23 and monitor the quality of information re-
24 ceived from any source, including informa-
25 tion from public records, by regularly and

1 on an ongoing basis comparing the infor-
2 mation received to the information avail-
3 able from the original source and ensuring
4 that the information received is the most
5 current information;

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

13 “(vi) develop standards and proce-
14 dures for consumer reporting agencies to
15 adopt regarding collection of public record
16 data, including standards and procedures
17 to consider the ultimate data source, how
18 the public record information is filed and
19 its availability and accessibility, and wheth-
20 er information relating to the satisfaction
21 of judgments or other updates to the pub-
22 lic record are available on a reasonably
23 timely basis from a particular source; and

24 “(vii) establish any other factors, pro-
25 cedures, or processes determined by the

1 Bureau to be necessary to assist consumer
2 reporting agencies in achieving maximum
3 possible accuracy and completeness of the
4 information in consumer reports.

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

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

14 “(B) take corrective action, which may in-
15 clude—

16 “(i) mandatory revised training and
17 training materials for the staff of the fur-
18 nisher regarding the furnishing of accurate
19 and complete information;

20 “(ii) sharing industry best practices
21 and procedures regarding accuracy and
22 completeness; or

23 “(iii) temporarily prohibiting a fur-
24 nisher from providing information to a
25 consumer reporting agency.”.

1 **SEC. 109. INCLUSION OF PUBLIC RECORD DATA SOURCES**
2 **IN CONSUMER REPORTS.**

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

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

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

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

16 (1) in section 616—

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

20 (B) by redesignating subsections (c) and
21 (d) as subsections (d) and (e), respectively; and

22 (C) by inserting after subsection (b) the
23 following new subsection:

24 “(c) INJUNCTIVE RELIEF.—In addition to any other
25 remedy set forth in this section, a court may award injunc-
26 tive relief to require compliance with the requirements im-

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

7 (2) in section 617—

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

11 (B) by redesignating subsection (b) as sub-
12 section (c); and

13 (C) by inserting after subsection (a) the
14 following new subsection:

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

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

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

7 (2) by inserting “negligent, willful, or” before
 8 “knowing”.

9 **TITLE II—RESTRICTING THE**
 10 **USE OF CREDIT CHECKS FOR**
 11 **EMPLOYMENT DECISIONS**

12 **SEC. 201. BANS THE USE OF CREDIT INFORMATION FOR**
 13 **MOST EMPLOYMENT DECISIONS.**

14 (a) IN GENERAL.—Section 604 of the Fair Credit
 15 Reporting Act (15 U.S.C. 1681b) is amended—

16 (1) in subsection (a)(3)(B), by inserting “, sub-
 17 ject to the requirements of subsection (b)” after
 18 “purposes”; and

19 (2) in subsection (b)—

20 (A) in paragraph (1)—

21 (i) by amending the paragraph head-
 22 ing to read as follows: “USE OF CON-
 23 SUMER REPORTS FOR EMPLOYMENT PUR-
 24 POSES”;

1 (ii) in subparagraph (A), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively (and conforming the margins accordingly);

2 (iii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively (and conforming the margins accordingly);

3 (iv) by striking the period at the end of clause (ii) (as so redesignated) and inserting “; and”;

4 (v) by striking “agency may furnish” and inserting “agency—
5 “(A) may furnish”; and

6 (vi) by adding at the end the following new subparagraph:

7 “(B) except as provided in paragraph (5), may not furnish a consumer report with respect to any consumer in which any information contained in the report bears on the consumer’s creditworthiness, credit standing, or credit capacity.”; and

8 (B) by adding at the end the following new paragraphs:

1 “(5) REQUIREMENTS FOR CONSUMER REPORTS
2 BEARING ON THE CONSUMER’S CREDITWORTHINESS,
3 CREDIT STANDING, OR CREDIT CAPACITY.—

4 “(A) IN GENERAL.—A person may use a
5 consumer report with respect to any consumer
6 in which any information contained in the re-
7 port bears on the consumer’s creditworthiness,
8 credit standing, or credit capacity only if—

9 “(i) either—

10 “(I) the person is required to ob-
11 tain the report by a Federal, State, or
12 local law; or

13 “(II) the information contained
14 in the report is being used with re-
15 spect to a national security investiga-
16 tion (as defined in paragraph (4)(D));

17 “(ii) none of the cost associated with
18 obtaining the consumer report will be
19 passed on to the consumer to whom the re-
20 port relates; and

21 “(iii) the information contained in the
22 consumer report will not be disclosed to
23 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)”.

1 **TITLE III—REHABILITATING THE**
2 **CREDIT STANDING OF STRUG-**
3 **GLING PRIVATE EDUCATION**
4 **LOAN BORROWERS**

5 **SEC. 301. REMOVES ADVERSE INFORMATION FOR CERTAIN**
6 **DEFAULTED OR DELINQUENT PRIVATE EDU-**
7 **CATION LOAN BORROWERS WHO DEM-**
8 **ONSTRATE A HISTORY OF LOAN REPAYMENT.**

9 (a) IN GENERAL.—The Fair Credit Reporting Act
10 (15 U.S.C. 1681 et seq.), as amended by section 405, is
11 further amended by inserting after section 605D the fol-
12 lowing new section:

13 **“§ 605E. Credit rehabilitation for private education**
14 **loan borrowers who demonstrate a his-**
15 **tory of loan repayment**

16 “(a) IN GENERAL.—A consumer reporting agency
17 may not furnish any consumer report containing any ad-
18 verse item of information relating to a delinquent or de-
19 faulted private education loan of a borrower if the bor-
20 rower has rehabilitated the borrower’s credit with respect
21 to such loan by making 9 on-time monthly payments (in
22 accordance with the terms and conditions of the bor-
23 rower’s original loan agreement or any other repayment
24 agreement that antedates the original agreement) during

1 a period of 10 consecutive months on such loan after the
2 date on which the delinquency or default occurred.

3 “(b) INTERRUPTION OF 10-MONTH PERIOD FOR
4 CERTAIN CONSUMERS FACING UNUSUAL EXTENUATING
5 LIFE EVENTS.—

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

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

23 “(B) With respect to a borrower who re-
24 sides in an area affected by a major disaster or
25 emergency declared under the Robert T. Staf-

1 ford Disaster Relief and Emergency Assistance
2 Act (42 U.S.C. 5121 et seq.), the grace period
3 shall begin on the date on which the major dis-
4 aster or emergency was declared and end on the
5 date that is 3 months after such date.

6 “(2) OTHER CIRCUMSTANCES.—

7 “(A) IN GENERAL.—The Bureau may
8 allow a borrower demonstrating hardship to
9 stop making consecutive monthly payments and
10 be granted a grace period after which the 10-
11 month period described in subsection (a) shall
12 resume.

13 “(B) BORROWER DEMONSTRATING HARD-
14 SHIP DEFINED.—In this paragraph, the term
15 ‘borrower demonstrating hardship’ means a
16 borrower or a class of borrowers who, as deter-
17 mined by the Bureau, is facing or has experi-
18 enced unusual extenuating life circumstances or
19 events that result in severe financial or personal
20 barriers such that the borrower or class or bor-
21 rowers does not have the capacity to comply
22 with the requirements of subsection (a).

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

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

3 “(2) the method for validating that the bor-
4 rower is satisfying the requirements of subsection
5 (a);

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

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

10 “(B) the requirements of subsection (d);
11 and

12 “(C) the restrictions of subsection (f);

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

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

17 “(B) the requirements of subsection (d);

18 “(5) the method for verifying whether a bor-
19 rower qualifies for the grace period described in sub-
20 section (b);

21 “(6) the manner, content, and form of notifying
22 a consumer reporting agency and private educational
23 loan holder that a borrower was granted a grace pe-
24 riod; and

1 “(7) the method for a borrower to demonstrate
2 that the borrower has successfully satisfied the re-
3 quirements under subsection (a) and for notifying a
4 consumer reporting agency and private educational
5 loan holder.

6 “(d) STANDARDIZED REPORTING CODES.—A con-
7 sumer reporting agency shall develop standardized report-
8 ing codes for use by any private educational loan holder
9 to identify and report a borrower’s status of making and
10 completing 9 on-time monthly payments during a period
11 of 10 consecutive months on a delinquent or defaulted pri-
12 vate education loan, including codes specifying the grace
13 period described in subsection (b) and any agreement to
14 modify monthly payments. Such codes shall not appear on
15 any report provided to a third party, and shall be removed
16 from the consumer’s credit report upon the consumer’s
17 completion of the rehabilitation period under this section.

18 “(e) ELIMINATING BARRIERS TO CREDIT REHABILI-
19 TATION.—A consumer report in which a private edu-
20 cational loan holder furnishes the standardized reporting
21 codes described in subsection (d) to a consumer reporting
22 agency, or in which a consumer reporting agency includes
23 such codes, shall be deemed to comply with the require-
24 ments for accuracy and completeness required under sec-
25 tions 623(a)(1) and 630.

1 “(f) PROHIBITION ON CIVIL ACTIONS FOR CON-
 2 SUMERS PURSUING REHABILITATION.—A private edu-
 3 cational loan holder may not commence or proceed with
 4 any civil action against a borrower with respect to a delin-
 5 quent or defaulted loan during the period of rehabilitation
 6 if the loan holder has been notified—

7 “(1) under subsection (c)(3) of a borrower’s in-
 8 tent to participate in rehabilitation;

9 “(2) under subsection (c)(6) that a borrower
 10 was granted the grace period; or

11 “(3) under subsection (c)(7) that the borrower
 12 has successfully satisfied the requirements under
 13 subsection (a).

14 “(g) RULES OF CONSTRUCTION.—

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

22 “(2) INTERRUPTION OF THE CONSECUTIVE
 23 PAYMENT PERIOD REQUIREMENT.—The grace period
 24 described in subsection (b)(1)(A) shall not apply if
 25 any regulation promulgated under section 987 of

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

10 (b) TABLE OF CONTENTS AMENDMENT.—The table
 11 of contents of the Fair Credit Reporting Act is amended
 12 by inserting after the item relating to section 605D (as
 13 added by section 405) the following new item:

“605E. Credit rehabilitation for distressed private education loan borrowers who
 demonstrate a history of loan repayment.”.

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

15 Section 603 of the Fair Credit Reporting Act (15
 16 U.S.C. 1681a) is amended by adding at the end the fol-
 17 lowing new subsection:

18 “(z) PRIVATE EDUCATION LOAN DEFINITIONS.—
 19 The terms ‘private education loan’ and ‘private edu-
 20 cational lender’ have the meanings given such terms, re-
 21 spectively, in section 140(a) of the Truth in Lending
 22 Act.”.

1 **TITLE IV—RESTORING THE IM-**
2 **PAIRED CREDIT OF VICTIMS**
3 **OF PREDATORY ACTIVITIES**
4 **AND UNFAIR CONSUMER RE-**
5 **PORTING PRACTICES**

6 **SEC. 401. SHORTENS THE TIME PERIOD THAT MOST AD-**
7 **VERSE CREDIT INFORMATION STAYS ON CON-**
8 **SUMER REPORTS.**

9 (a) IN GENERAL.—Section 605 of the Fair Credit
10 Reporting Act (15 U.S.C. 1681c) is amended—

11 (1) in subsection (a)—

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

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

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

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

21 (E) in paragraph (4), by striking “seven
22 years” and inserting “4 years, except as pro-
23 vided in paragraph (8), (10), (11), (12), or
24 (13), or as required by section 605C, 605D,
25 605E, or 605F”;

1 (F) in paragraph (5)—

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

4 (ii) by striking “seven years” and in-
5 serting “4 years, except as required by sec-
6 tion 605C, 605D, 605E, or 605F”; and

7 (G) by adding at the end the following new
8 paragraphs:

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

14 “(8) A civil suit or civil judgment—

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

21 “(B) brought by a lender with respect to
22 a covered residential mortgage loan that ante-
23 dates the report by 45 calendar days.

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

1 “(10) Any other adverse item of information re-
 2 lating 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(d), by striking “section
 17 605(g)” each place that term appears and inserting
 18 “section 605(f)”; and

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

21 **SEC. 402. MANDATES THE EXPEDITED REMOVAL OF FULLY**
 22 **PAID OR SETTLED DEBT FROM CONSUMER**
 23 **REPORTS.**

24 Section 605(a) of the Fair Credit Reporting Act (15
 25 U.S.C. 1681c(a)), as amended by section 401(a)(1), is fur-

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

3 “(11) Any other adverse item of information re-
4 lated to a fully paid or settled debt that had been
5 characterized as delinquent, charged off, or in collec-
6 tion which, from the date of payment or settlement,
7 antedates the report by more than 45 calendar
8 days.”.

9 **SEC. 403. IMPOSES RESTRICTIONS ON THE APPEARANCE**
10 **OF MEDICAL COLLECTIONS ON CONSUMER**
11 **REPORTS AND REQUIRES THE EXPEDITED**
12 **REMOVAL OF FULLY PAID OR SETTLED MED-**
13 **ICAL COLLECTIONS FROM CONSUMER RE-**
14 **PORTS.**

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

20 “(12) Any other adverse item of information re-
21 lated to a fully paid or settled debt arising from the
22 receipt of medical services, products, or devices that
23 had been characterized as delinquent, charged off, or
24 in collection which, from the date of payment or set-

1 tlement, antedates the report by more than 45 cal-
2 endar days.”.

3 (b) ESTABLISHING AN EXTENDED TIME PERIOD BE-
4 FORE MEDICAL DEBT INFORMATION MAY BE RE-
5 PORTED.—Section 605(a) of such Act is further amended
6 by adding at the end the following new paragraph:

7 “(13) Any information related to a debt arising
8 from the receipt of medical services, products, or de-
9 vices, if the date on which such debt was placed for
10 collection, charged to profit or loss, or subjected to
11 any similar action antedates the report by less than
12 180 calendar days.”.

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

17 **SEC. 404. PROVIDES CREDIT RESTORATION FOR VICTIMS**
18 **OF PREDATORY MORTGAGE LENDING AND**
19 **SERVICING.**

20 (a) IN GENERAL.—The Fair Credit Reporting Act
21 (15 U.S.C. 1681 et seq.) is amended by inserting after
22 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 (42 U.S.C. 5402));

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.

1 **SEC. 405. PROVIDES CREDIT RELIEF FOR PRIVATE EDU-**
2 **CATION LOANS BORROWERS WHO WERE DE-**
3 **FRAUDED OR MISLEAD BY PROPRIETARY**
4 **EDUCATION INSTITUTION OR CAREER EDU-**
5 **CATION PROGRAMS.**

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

10 **“§ 605D. Private education loan credit restoration for**
11 **defrauded student borrowers who attend**
12 **certain proprietary educational institu-**
13 **tion or career education programs**

14 **“(a) PROCESS FOR CERTIFICATION AS A QUALIFYING**
15 **PRIVATE EDUCATION LOAN BORROWER.—**

16 **“(1) IN GENERAL.—**A consumer, or an indi-
17 vidual acting on behalf of or as a personal represent-
18 ative of the consumer or a class of consumers, may
19 submit a request to the Bureau, along with a
20 defraudment claim, to be certified as a qualifying
21 private education loan borrower with respect to a
22 private education loan.

23 **“(2) CERTIFICATION.—**The Bureau shall certify
24 a consumer described in paragraph (1) as a quali-
25 fying private education loan borrower with respect to
26 a private education loan if the Bureau or a court of

1 competent jurisdiction determines that the consumer
2 has a valid defraudment claim with respect to such
3 loan.

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

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

20 “(d) PROCEDURES.—The Bureau shall—

21 “(1) establish procedures for a consumer or an
22 individual acting on behalf of or as a personal rep-
23 resentative of the consumer or a class of consumers
24 to submit a request described in subsection (a);

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

3 “(3) develop ongoing outreach initiatives and
4 education programs to inform consumers or a class
5 of consumers of the circumstances under which such
6 consumer or class may be eligible to be certified as
7 a qualifying private education loan borrower with re-
8 spect to a private education loan;

9 “(4) establish procedures, including the man-
10 ner, form, and content of the notice informing a pri-
11 vate educational loan holder of the prohibition on re-
12 porting any adverse information relating to a private
13 education loan with respect to which a consumer is
14 a qualifying private education loan borrower; and

15 “(5) establish procedures, including the man-
16 ner, form, and content of the notice informing a con-
17 sumer reporting agency of the obligation to remove
18 any adverse information as described in subsection
19 (c).

20 “(e) STANDARDIZED REPORTING CODES.—A con-
21 sumer reporting agency shall develop standardized report-
22 ing codes for use by private education loan holders to iden-
23 tify and report a qualifying private education loan bor-
24 rower’s status of a request to remove any adverse informa-
25 tion relating to any private education loan with respect

1 to which such consumer is a qualifying private education
2 loan borrower. A consumer report in which a person fur-
3 nishes such codes shall be deemed to comply with the re-
4 quirements for accuracy and completeness required under
5 sections 623(a)(1) and 630. Such codes shall not appear
6 on any report provided to a third party, and shall be re-
7 moved from the consumer’s credit report upon the success-
8 ful restoration of the consumer’s credit under this section.

9 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-
10 poses of this section, the term ‘defraudment claim’ means
11 a claim made with respect to a consumer who is a bor-
12 rower of a private education loan with respect to a propri-
13 etary educational institution or career education program
14 in which the consumer or an individual acting on behalf
15 of or as a personal representative of the consumer or a
16 class of consumers alleges that—

17 “(1) the proprietary educational institution or
18 career education program—

19 “(A) engaged in an unfair, deceptive, or
20 abusive act or practice, or a fraudulent, dis-
21 criminatory, or illegal activity—

22 “(i) as defined by State law of the
23 State in which the proprietary educational
24 institution or career education program is

1 headquartered or maintains or maintained
2 significant operations; or

3 “(ii) under Federal law;

4 “(B) is the subject of an enforcement
5 order, a settlement agreement, a memorandum
6 of understanding, a suspension of tuition assist-
7 ance, or any other action relating to an unfair,
8 deceptive, or abusive act or practice that is be-
9 tween the proprietary educational institution or
10 career education program and an agency or de-
11 partment of a local, State, or Federal Govern-
12 ment; or

13 “(C) misrepresented facts to students or
14 accrediting agencies or associations about grad-
15 uation or gainful employment rates in recog-
16 nized occupations or failed to provide the
17 coursework necessary for students to success-
18 fully obtain a professional certification or de-
19 gree from the proprietary educational institu-
20 tion or career education program; or

21 “(2) the consumer or an individual acting on
22 behalf of or as a personal representative of the con-
23 sumer or a class of consumers has submitted a valid
24 defense to repayment claim with respect to such
25 loan, as determined by the Secretary of Education.”.

1 (b) TABLE OF CONTENTS AMENDMENT.—The table
 2 of contents of the Fair Credit Reporting Act is amended
 3 by inserting after the item relating to section 605C (as
 4 added by section 404) the following new item:

“605D. Private education loan credit restoration for defrauded student borrowers from certain proprietary educational institution or career education programs.”.

5 **SEC. 406. ESTABLISHES RIGHT FOR VICTIMS OF FINANCIAL**
 6 **ABUSE TO HAVE ADVERSE INFORMATION AS-**
 7 **SOCIATED WITH AN ABUSER’S FRAUDULENT**
 8 **ACTIVITY REMOVED FROM THEIR CONSUMER**
 9 **REPORTS.**

10 (a) IN GENERAL.—The Fair Credit Reporting Act
 11 (15 U.S.C. 1681 et seq.), as amended by section 301, is
 12 further amended by inserting after section 605E the fol-
 13 lowing new section:

14 **“§ 605F. Financial abuse prevention**

15 “For a consumer who is the victim of intentionally
 16 abusive or harmful financial behavior, as determined by
 17 a court of competent jurisdiction including a family court,
 18 juvenile court, or other court with personal jurisdiction,
 19 that was conducted by a spouse, family or household mem-
 20 ber, caregiver, or person with whom such consumer had
 21 a dating relationship in a manner which resulted in the
 22 inclusion of an adverse item of information on the con-
 23 sumer report of the consumer, and the consumer did not
 24 participate in or consent to such behavior, the consumer

1 may apply to a court of competent jurisdiction, including
 2 a family court, juvenile court, or other court with personal
 3 jurisdiction, for an order to require the removal of such
 4 adverse information from the consumer's file maintained
 5 by any consumer reporting agency.”.

6 (b) TABLE OF CONTENTS AMENDMENT.—The table
 7 of contents of the Fair Credit Reporting Act is amended
 8 by inserting after the item relating to section 605E (as
 9 added by section 301) the following new item:

“605F. Financial abuse prevention.”.

10 **SEC. 407. PROHIBITS TREATMENT OF CREDIT RESTORA-**
 11 **TION OR REHABILITATION AS ADVERSE IN-**
 12 **FORMATION.**

13 The Fair Credit Reporting Act (15 U.S.C. 1681 et
 14 seq.) is amended—

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

17 **“§ 630. Prohibition of certain factors related to Fed-**
 18 **eral credit restoration or rehabilitation**

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

21 “(1) take into consideration, in a manner ad-
 22 verse to a consumer's credit score or educational
 23 credit score, any information in a consumer report
 24 concerning the consumer's participation in credit

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

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

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

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

19 “(2) treat negatively the absence of payment
20 history data for an existing account, whether the ac-
21 count is open or closed, where the absence of such
22 information is the result of a consumer’s participa-
23 tion in credit restoration or rehabilitation under sec-
24 tion 605C, 605D, 605E, or 605F.

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

11 “(d) PROHIBITION RELATED TO ADVERSE ACTIONS
 12 AND RISK-BASED PRICING DECISIONS.—No person shall
 13 use information related to a consumer’s participation in
 14 credit restoration or rehabilitation under section 605C,
 15 605D, 605E, or 605F in connection with any determina-
 16 tion 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
 24 adding at the end the following new item:

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

1 **TITLE V—MONITORING THE DE-**
2 **VELOPMENT AND USE OF**
3 **CREDIT SCORES**

4 **SEC. 501. ESTABLISHES CLEAR FEDERAL OVERSIGHT OF**
5 **THE DEVELOPMENT OF CREDIT SCORING**
6 **MODELS BY THE BUREAU.**

7 The Fair Credit Reporting Act (15 U.S.C. 1681 et
8 seq.), as amended by section 407, is further amended—
9 (1) by adding at the end the following new sec-
10 tion:

11 **“§ 631. Credit scoring models**

12 “(a) **VALIDATED CREDIT SCORING MODELS.**—Not
13 later than 1 year after the date of enactment of this sec-
14 tion, the Bureau shall issue final regulations applicable to
15 a person that creates, maintains, or purchases credit scor-
16 ing models used in making credit decisions to establish
17 standards for validating the accuracy and predictive value
18 of all such credit scoring models, both before release for
19 initial use and at regular intervals thereafter, for as long
20 as such credit scoring models are made available for pur-
21 chase or use by such person.

22 “(b) **PROHIBITION.**—At least once every 2 years, the
23 Bureau shall conduct a review of credit scoring models to
24 determine whether the use of any particular factors, or
25 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.

9 “(c) COMPLIANCE.—The Bureau is authorized to en-
 10 force compliance with this section by a person described
 11 in subsection (a).”; and

12 (2) in the table of contents for such Act, by in-
 13 serting after the item relating to section 630 (as
 14 added by section 407) the following new item:

“631. Credit scoring models.”.

15 **SEC. 502. MANDATES ONGOING REVIEW AND REPORTS TO**
 16 **CONGRESS BY THE FEDERAL HOUSING FI-**
 17 **NANCE AGENCY ON USING ADDITIONAL, AL-**
 18 **TERNATIVE, AND UPDATED CREDIT SCORING**
 19 **MODELS AS PART OF THE CRITERIA FOR**
 20 **LOANS PURCHASED BY FANNIE MAE AND**
 21 **FREDDIE MAC.**

22 (a) BIENNIAL REVIEW.—The Director of the Federal
 23 Housing Finance Agency, in consultation with the Direc-
 24 tor of the Bureau of Consumer Financial Protection, shall
 25 review the advantages and disadvantages of implementing

1 additional, alternative, or updated credit scoring models
2 (as defined in section 603 of the Fair Credit Reporting
3 Act (15 U.S.C. 1681a)) used to establish the eligibility
4 criteria for loans purchased by the Federal National Mort-
5 gage Association and the Federal Home Loan Mortgage
6 Corporation. Such review shall analyze—

7 (1) the impact of using such credit scoring
8 models on the accuracy and predictive value of the
9 performance of loans purchased by the Federal Na-
10 tional Mortgage Association and the Federal Home
11 Loan Mortgage Corporation;

12 (2) the ability of the Federal National Mort-
13 gage Association and the Federal Home Loan Mort-
14 gage Corporation to more effectively manage credit
15 risks by adopting additional, alternative, or updated
16 credit scoring models;

17 (3) any potential operational risks associated
18 with the reliance on one single provider of credit
19 scores;

20 (4) the availability and affordability of covered
21 residential mortgage loans, as defined in section
22 605C of the Fair Credit Reporting Act;

23 (5) the interests of taxpayers; and

24 (6) any other factors determined relevant by
25 the Director of the Federal Housing Finance Agency

1 or the Director of the Bureau of Consumer Finan-
2 cial Protection.

3 (b) PUBLIC PARTICIPATION.—The Director of the
4 Federal Housing Finance Agency shall seek public input
5 about the methodology and research design of the review
6 described in subsection (a), including from organizations
7 and experts representing racial and ethnic minority com-
8 munities and populations, fair lending organizations, civil
9 rights organizations, and consumer and community groups
10 that represent depository institutions and credit unions
11 that primarily serve traditionally underserved commu-
12 nities.

13 (c) REPORTS.—Not later than the end of the 18-
14 month period beginning on the date of the enactment of
15 this Act, and every 2 years thereafter, the Director of the
16 Federal Housing Finance Agency shall issue a report to
17 the Committee on Financial Services of the House of Rep-
18 resentatives and the Committee on Banking, Housing, and
19 Urban Affairs of the Senate containing all findings and
20 determinations made in carrying out the review required
21 under subsection (a).

22 (d) IMPLEMENTATION OF FINDINGS.—If the Director
23 of the Federal Housing Finance Agency determines, in
24 consultation with the Bureau, that the advantages of im-
25 plementing additional, alternative, or updated credit scor-

1 ing models outweigh the disadvantages, the Director shall
2 promptly require the Federal National Mortgage Associa-
3 tion and the Federal Home Loan Mortgage Corporation
4 to revise their seller-servicer guidelines to allow for the use
5 of such additional, alternative, or updated credit scoring
6 models, and any other guidelines as the Director deter-
7 mines appropriate, in a manner consistent with the deter-
8 mination of the Director.

9 **SEC. 503. REQUIRES A BUREAU STUDY AND REPORT TO**
10 **CONGRESS ON THE IMPACT OF USING NON-**
11 **TRADITIONAL DATA.**

12 (a) STUDY.—The Bureau of Consumer Financial
13 Protection shall carry out a study of the impact on the
14 availability and affordability of credit by the inclusion of
15 non-traditional data on a consumer report (as defined in
16 section 603 of the Fair Credit Reporting Act (15 U.S.C.
17 1681a)) used in connection with a credit transaction in-
18 volving the extension of credit to, or review or collection
19 of an account of, the consumer, including a review of the
20 advantages or disadvantages to consumers with minimal
21 traditional credit history, traditionally underserved com-
22 munities and populations, and racial and ethnic minori-
23 ties.

24 (b) REPORT.—Not later than the end of the 1-year
25 period following the date of the enactment of this Act, the

1 Bureau shall issue a report to the Committee on Financial
 2 Services of the House of Representatives and the Com-
 3 mittee on Banking, Housing, and Urban Affairs of the
 4 Senate containing all findings and determinations made
 5 in carrying out the study required under subsection (a).

6 (c) NON-TRADITIONAL DATA DEFINED.—For pur-
 7 poses of this section, the term “non-traditional data”
 8 means data related to telecommunications, utility pay-
 9 ments, rent payments, remittances, wire transfers, and
 10 such other items as the Bureau determines appropriate.

11 **TITLE VI—PROVIDING GREATER**
 12 **CONSUMER ACCESS TO AND**
 13 **UNDERSTANDING OF CON-**
 14 **SUMER REPORTS AND CRED-**
 15 **IT SCORES**

16 **SEC. 601. CREDIT SCORE AND EDUCATIONAL CREDIT**
 17 **SCORE DEFINITIONS.**

18 (a) IN GENERAL.—Section 603 of the Fair Credit
 19 Reporting Act (15 U.S.C. 1681a), as amended by section
 20 302, is further amended by adding at the end the following
 21 new subsection:

22 “(aa) CREDIT SCORE AND EDUCATIONAL CREDIT
 23 SCORE DEFINITIONS.—

24 “(1) CREDIT SCORE.—The term ‘credit score’
 25 means a numerical value or a categorization derived

1 from a statistical tool or modeling system used by a
2 person who makes or arranges a loan or extends
3 credit to predict the likelihood of certain credit be-
4 haviors, including default, as determined by the Bu-
5 reau.

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

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

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

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

1 (1) in section 605(c)(2) (as so redesignated by
 2 section 103), by striking “(as defined in section
 3 609(f)(2)(B))”; and

4 (2) in section 615—

5 (A) by striking “as defined in section
 6 609(f)(2)(A)” each place that term appears;
 7 and

8 (B) by striking “set forth in subpara-
 9 graphs (B) through (E) of section 609(f)(1)”
 10 and inserting “with respect to a credit score de-
 11 scribed in section 609(f)(2), if available” each
 12 place that term appears.

13 **SEC. 602. EXPANDS EXPLANATORY INFORMATION GIVEN TO**
 14 **CONSUMERS ABOUT HOW SCORES ARE CAL-**
 15 **CULATED.**

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

18 “(f) DISCLOSURE OF CREDIT SCORE AND EDU-
 19 CATIONAL CREDIT SCORE BY CONSUMER REPORTING
 20 AGENCIES.—

21 “(1) IN GENERAL.—Upon the request of a con-
 22 sumer for a credit score or educational credit score,
 23 a consumer reporting agency shall supply to the con-
 24 sumer a statement—

25 “(A) containing—

1 “(i) a current credit score at the time
2 of the request generated using a commonly
3 used credit scoring model to generate cred-
4 it scores, subject to regulations of the Bu-
5 reau;

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

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

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

17 “(i) the date on which the credit score
18 was generated;

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

21 “(iii) the credit score itself.

22 “(2) REQUIREMENTS.—A statement provided
23 under clause (i) or (ii) of paragraph (1)(A) shall in-
24 clude—

1 “(A) a minimum of 4 key factors, if avail-
2 able, that adversely affected the credit score or
3 educational credit score, except that if one of
4 the key factors consists of the number of
5 enquiries made with respect to a consumer re-
6 port, that factor shall be provided to the con-
7 sumer in addition to the factors required by
8 this subparagraph;

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

14 “(C) a minimum of 4 key factors, if avail-
15 able, that positively affected the credit score or
16 educational credit score;

17 “(D) the range of possible credit scores or
18 educational credit scores under the credit scor-
19 ing model used;

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

1 “(i) in the form of a bar graph con-
2 taining a minimum of 6 bars that illus-
3 trates the percentage of consumers with
4 credit scores or educational credit scores
5 within the range of scores represented by
6 each bar; or

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

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

15 “(G) the name of the person that devel-
16 oped the credit scoring model on which the
17 credit score or educational credit score was
18 based.

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

22 “(A) develop or disclose a credit score if
23 the agency does not distribute credit scores
24 used by a person who makes or arranges a loan

1 or extends credit to predict the likelihood of
2 certain credit behaviors; or

3 “(B) develop or disclose an educational
4 credit score if the agency does not develop edu-
5 cational credit scores that assist in under-
6 standing the general credit behavior of a con-
7 sumer and predicting the future credit behavior
8 of the consumer.

9 “(4) MAINTENANCE OF CREDIT SCORES.—

10 “(A) IN GENERAL.—All consumer report-
11 ing agencies shall maintain in the consumer’s
12 file credit scores relating to the consumer for a
13 period of 2 years from the date on which such
14 information is generated.

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

23 “(C) REMOVAL OF PAST CREDIT
24 SCORES.—A past credit score maintained in a
25 consumer’s file pursuant to subparagraph (A)

1 shall be removed from the consumer’s file after
2 the end of the 2-year period described under
3 subparagraph (A).”.

4 **SEC. 603. REQUIRES CONSUMER REPORTING AGENCIES TO**
5 **DISCLOSE PROMINENTLY THE DIFFERENCES**
6 **BETWEEN AND LIMITATIONS OF CREDIT**
7 **SCORES AND EDUCATIONAL CREDIT SCORES**
8 **REQUIRED PRIOR TO A CONSUMER OBTAIN-**
9 **ING SUCH SCORES.**

10 Section 609(f) of the Fair Credit Reporting Act (15
11 U.S.C. 1681g(f)), as amended by section 602, is further
12 amended by adding at the end the following new para-
13 graphs:

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

1 **“CREDIT SCORE DISCLAIMER.**

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

18 “(6) ADDITIONAL REQUIREMENTS FOR EDU-
19 CATIONAL CREDIT SCORES.—

20 “(A) DISCLAIMER.—If an educational
21 credit score is provided pursuant to paragraph
22 (1), a consumer reporting agency shall clearly
23 and conspicuously include in a prominent loca-
24 tion on the statement, in boldface type of 18-
25 point font or larger, and in a text box with
26 boldface outer borders, the following notice:

1 **“EDUCATIONAL CREDIT SCORE DISCLAIMER.**

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

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

18 “(2) Companies may produce scores that give
19 results on different scales.

20 “(3) Not all lenders or creditors report to
21 every consumer reporting agency, and therefore the
22 information contained in your consumer report that
23 the consumer reporting agencies use to calculate
24 your educational credit score may differ among
25 agencies.’.

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

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

12 **SEC. 604. PROVIDES CONSUMERS WITH FREE CREDIT**
 13 **SCORE DISCLOSURES WITH THEIR FREE AN-**
 14 **NUAL CONSUMER REPORTS UPON REQUEST**
 15 **AND CREATES INSTANCES WHEN CON-**
 16 **SUMERS AUTOMATICALLY RECEIVE FREE**
 17 **CONSUMER REPORTS AND CREDIT SCORES.**

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

20 (1) in subsection (a)—

21 (A) in paragraph (1)—

22 (i) in subparagraph (A), by inserting
 23 after “section 609” the following: “(includ-
 24 ing the disclosure of a credit score or edu-

1 cational credit score under subsection (f)
2 of such section)”; and

3 (ii) in subparagraph (C)—

4 (I) by striking “Commission”
5 and inserting “Bureau”;

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

10 (III) in clause (i), by inserting
11 “and through the Internet website es-
12 tablished under section 611(g)” after
13 “such requests”;

14 (B) in paragraph (2)—

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

17 (ii) by inserting “, credit score, or
18 educational credit score” after “consumer
19 report”;

20 (C) in paragraph (3), by inserting “, credit
21 score, or educational credit score” after “con-
22 sumer report”; and

23 (D) in paragraph (4), by inserting “, credit
24 scores, or educational credit scores” after “con-
25 sumer reports”;

1 (2) in subsection (b), by inserting “(including
2 the disclosure of a credit score or educational credit
3 score, as applicable, under subsection (f) of such sec-
4 tion)” after “section 609”;

5 (3) in subsection (c)—

6 (A) by inserting “(including the disclosure
7 of a credit score or educational credit score
8 under subsection (f) of such section)” after
9 “pursuant to section 609”;

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

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

14 (D) by adding at the end the following new
15 paragraphs:

16 “(4) has disputed information, or submitted an
17 appeal of an investigation or reinvestigation of such
18 information, under section 611 or 623, regardless of
19 whether the consumer has already received a credit
20 report, credit score, or educational credit score
21 under section 611 or 623; or

22 “(5) has had information that was previously
23 deleted under section 611(a)(5) reinserted into the
24 consumer’s file, regardless of whether the consumer

1 has already received a credit report, credit score, or
2 educational credit score under such section.”;

3 (4) in subsection (d), by inserting “(including
4 the disclosure of a credit score or educational credit
5 score under subsection (f) of such section)” after
6 “section 609”;

7 (5) in subsection (f)(1)—

8 (A) by striking “reasonable charge” and
9 all that follows through “section 609” and in-
10 serting “reasonable charge on a consumer for
11 providing a consumer report to a consumer”;

12 (B) by striking subparagraph (B);

13 (C) by redesignating clauses (i) and (ii) as
14 subparagraphs (A) and (B), respectively (and
15 conforming the margins accordingly); and

16 (D) in subparagraph (B) (as so redesign-
17 ated), by striking “disclosure; and” and insert-
18 ing “disclosure.”; and

19 (6) by adding at the end the following new sub-
20 sections:

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

23 “(1) NATIONWIDE CONSUMER REPORTING
24 AGENCIES.—

1 “(A) IN GENERAL.—Not later than 180
2 days after the date of enactment of this sub-
3 section, each consumer reporting agency de-
4 scribed under subsection (p) of section 603
5 shall prominently display on the home page of
6 the agency’s website—

7 “(i) a hyperlink labeled ‘Get Your
8 Free Annual Credit Reports along with ei-
9 ther your Credit Scores or Educational
10 Credit Scores provided for under Federal
11 Law’ or substantially similar text, as deter-
12 mined by the Bureau; and

13 “(ii) a disclosure titled ‘Consumer’s
14 Right to Free Credit Scores, Educational
15 Credit Scores, and Reports under Federal
16 Law’ or substantially similar text, as deter-
17 mined by the Bureau that includes the fol-
18 lowing statement:

19 “‘All consumers are entitled to obtain a free copy of
20 their consumer report and credit score or educational cred-
21 it score annually from each of the nationwide consumer
22 reporting agencies. Under Federal law, a consumer is enti-
23 tled to obtain additional free copies of their consumer re-
24 ports, along with a copy of either the consumer’s credit

1 score or educational credit score (under certain cir-
2 cumstances), including:

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

5 ““(2) When a consumer is a recipient of public
6 welfare assistance.

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

10 ““(4) When a consumer asserts in good faith a
11 suspicion that the consumer has been or is about to
12 become a victim of identity theft, fraud, or a related
13 crime, or harmed by the unauthorized disclosure of
14 the consumer’s financial or personally identifiable in-
15 formation.

16 ““(5) When a consumer files a dispute or an
17 appeal of the results of a dispute with a consumer
18 reporting agency or a person who furnished informa-
19 tion to the consumer reporting agency regarding the
20 accuracy or completeness of the information con-
21 tained on their report.

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

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

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

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

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

21 “(2) NATIONWIDE SPECIALTY CONSUMER RE-
22 PORTING AGENCIES.—

23 “(A) IN GENERAL.—Not later than 180
24 days after the date of enactment of this sub-
25 section, each nationwide specialty consumer re-

1 porting agency shall prominently display on the
2 Internet home webpage of the agency a disclo-
3 sure titled ‘Consumer’s Right to Free Con-
4 sumer Reports and Credit Score or Educational
5 Credit Score (as applicable) under Federal
6 Law’. Such disclosure shall include the fol-
7 lowing statement:

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

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

19 “(2) When a consumer is a recipient of public
20 welfare assistance.

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

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

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

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

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

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

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

22 ““(C) TOLL-FREE TELEPHONE ACCESS.—
23 The information described in this paragraph
24 shall also be made available via a toll-free tele-
25 phone number. Such number shall be promi-

1 nently displayed on the home page of the
2 website of each nationwide specialty consumer
3 reporting agency. Each of the circumstances
4 under which a consumer may obtain a free con-
5 sumer report and credit score or educational
6 credit score (as applicable) shall be presented in
7 an easily understandable format and consumers
8 shall be directed to an individual who is a cus-
9 tomer service representative not later than 2
10 minutes after the initial phone connection is
11 made by the consumer. Information provided
12 through such telephone number shall comply
13 with the requirements of section 633.

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

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

1 “(1) obtains a 1-year fraud alert, 7-year fraud
2 alert, active duty alert, or credit freeze as described
3 in section 605A; or

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

7 (b) TECHNICAL AMENDMENT.—Section 615(h)(7) of
8 such Act (15 U.S.C. 1681m(h)(7)) is amended by striking
9 “section” and inserting “subsection”.

10 **SEC. 605. REQUIRES PRIVATE EDUCATIONAL LENDERS TO**
11 **PROVIDE CONSUMERS WITH FREE COPIES OF**
12 **ANY CONSUMER REPORTS AND CREDIT**
13 **SCORES THAT THEY USED FOR UNDER-**
14 **WRITING BEFORE CONSUMERS SIGN LOAN**
15 **AGREEMENTS.**

16 Section 609 of the Fair Credit Reporting Act (15
17 U.S.C. 1681g), as amended by section 702, is further
18 amended by adding at the end the following new sub-
19 section:

20 “(i) DISCLOSURE OF CONSUMER REPORTS AND
21 CREDIT SCORES BY PRIVATE EDUCATIONAL LENDERS.—

22 “(1) IN GENERAL.—If a private educational
23 lender obtains a copy of any consumer reports or
24 credit scores and uses such reports or scores in con-
25 nection with an application of a consumer for a pri-

1 vate education loan, the private educational lender
2 shall provide to the consumer, not later than 3 busi-
3 ness days after obtaining such reports or scores and
4 before the date on which the consumer enters into
5 a loan agreement with the private educational lend-
6 er, a copy of any such reports or scores, along with
7 the statement described under subsection (f)(2).

8 “(2) COSTS.—None of the costs to the private
9 educational lender associated with procuring con-
10 sumer reports or credit scores under this subsection
11 may be charged, directly or indirectly, to the con-
12 sumer.

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

1 **SEC. 606. REQUIRES MOTOR VEHICLE LENDERS OR INDI-**
2 **RECT AUTO LENDERS TO PROVIDE CON-**
3 **SUMERS WITH FREE COPIES OF ANY CON-**
4 **SUMER REPORTS AND CREDIT SCORES THAT**
5 **THEY USED FOR UNDERWRITING BEFORE**
6 **CONSUMERS SIGN LEASE OR LOAN AGREE-**
7 **MENTS.**

8 Section 609 of the Fair Credit Reporting Act (15
9 U.S.C. 1681g), as amended by section 605, is further
10 amended by adding at the end the following new sub-
11 section:

12 “(j) DISCLOSURE OF CONSUMER REPORTS AND
13 CREDIT SCORES USED BY MOTOR VEHICLE LENDERS OR
14 INDIRECT AUTO LENDERS.—

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

1 (f)(2), used by the lender to determine whether to
2 extend credit to the consumer.

3 “(2) COSTS.—None of the costs to the motor
4 vehicle lender or indirect auto lender associated with
5 procuring consumer reports or credit scores under
6 this subsection may be charged, directly or indi-
7 rectly, to the consumer.

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 “(4) DEFINITIONS.—

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

23 “(B) MOTOR VEHICLE LENDER.—The
24 term ‘motor vehicle lender’ has the meaning
25 given the term by the Board of Governors of

the Federal Reserve System, and shall include a person extending a loan made with respect to a car, boat, motorcycle, recreational vehicle, or other similar vehicle used primarily for personal or household purposes.”.

SEC. 607. REQUIRES RESIDENTIAL MORTGAGE LENDERS TO PROVIDE CONSUMERS WITH FREE COPIES OF ANY CONSUMER REPORTS AND CREDIT SCORES THAT THEY USED FOR UNDERWRITING BEFORE CONSUMERS SIGN LOAN AGREEMENTS.

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

(1) by redesignating paragraph (2) as paragraph (5);

(2) in paragraph (1)—

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

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

(C) by striking “the following to the consumer as soon as reasonably practicable:” and inserting “, not later than 3 business days after using such reports or scores, a document dis-

1 closing any consumer reports and credit scores
2 used by the lender to determine whether to ex-
3 tend credit to the consumer along with the
4 statement described in subsection (f)(2).”;

5 (D) by striking subparagraphs (A), (B),
6 (C), (E), and (F);

7 (E) by redesignating subparagraph (D) as
8 paragraph (3); and

9 (F) by redesignating subparagraph (G) as
10 paragraph (4);

11 (3) by inserting after paragraph (1) the fol-
12 lowing new paragraph:

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

19 (4) in paragraph (3) (as so redesignated), in
20 the quoted material—

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

23 (B) by striking “affecting your credit
24 scores” and inserting “affecting your credit
25 score or scores”;

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

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

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

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

15 **TITLE VII—BANNING MISLEAD-**
 16 **ING AND UNFAIR CONSUMER**
 17 **REPORTING PRACTICES**

18 **SEC. 701. PROHIBITS AUTOMATIC RENEWALS FOR CON-**
 19 **SUMER REPORTING AND CREDIT SCORING**
 20 **PRODUCTS AND SERVICES OFFERED UNDER**
 21 **PROMOTIONAL TERMS.**

22 The Fair Credit Reporting Act (15 U.S.C. 1681 et
 23 seq.), as amended by section 501, is further amended—

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

1 **“§ 632. Promotional periods**

2 “(a) TERMINATION NOTICE.—With respect to any
3 product or service related to a consumer report or a credit
4 score that is provided to a consumer under promotional
5 terms, the seller or provider of such product or service
6 shall provide clear and conspicuous notice to the consumer
7 within a reasonable period of time before the promotional
8 period ends.

9 “(b) OPT-IN.—With respect to any such product or
10 service, the seller or provider may not continue to sell or
11 provide such product or service to the consumer after the
12 end of the promotional period unless the consumer specifi-
13 cally agrees at the end of the promotional period to con-
14 tinue receiving the product or service.”; and

15 (2) in the table of contents for such Act, by in-
16 sserting after the item relating to section 631 (as
17 added by section 501) the following new item:

“632. Promotional periods.”.

18 **SEC. 702. BANS MISLEADING AND DECEPTIVE MARKETING**
19 **RELATED TO THE PROVISION OF CONSUMER**
20 **REPORTING AND CREDIT SCORING PROD-**
21 **UCTS AND SERVICES.**

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

24 (1) in subsection (a)—

25 (A) in paragraph (1)—

1 (i) by striking “request, except” and
2 all that follows through “consumer to
3 whom” and inserting “request, unless the
4 consumer to whom”;

5 (ii) by striking “disclosure; and” and
6 inserting “disclosure.”; and

7 (iii) by striking subparagraph (B);
8 and

9 (B) in paragraph (6), by inserting “or edu-
10 cational credit score (if applicable) under sub-
11 section (f) or 612” before the period at the end;
12 and

13 (2) by adding at the end the following new sub-
14 section:

15 “(h) DISCLOSURES ON PRODUCTS AND SERVICES.—
16 The Bureau, in consultation with the Federal Trade Com-
17 mission, shall issue regulations within 18 months of the
18 date of the enactment of this subsection requiring each
19 consumer reporting agency and reseller to clearly and con-
20 spicuously disclose all material terms and conditions, in-
21 cluding any fee and pricing information associated with
22 any products or services offered, advertised, marketed, or
23 sold to consumers by the agency or reseller. Such disclo-
24 sures shall be made in all forms of communication to con-
25 sumers and displayed prominently on the agency or re-

1 seller’s website and all other locations where products or
 2 services are offered, advertised, marketed, or sold to con-
 3 sumers.”.

4 **SEC. 703. ENDS EXCESSIVE DIRECT-TO-CONSUMER SALES**
 5 **BY GIVING THE BUREAU AUTHORITY TO SET**
 6 **FAIR AND REASONABLE FEES ON CONSUMER**
 7 **REPORTING AND CREDIT SCORING PROD-**
 8 **UCTS AND SERVICES SOLD BY CONSUMER**
 9 **REPORTING AGENCIES TO CONSUMERS.**

10 The Fair Credit Reporting Act (15 U.S.C. 1681 et
 11 seq.), as amended by section 706, is further amended—

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

14 **“§ 635. Fair and reasonable fees for products and**
 15 **services**

16 “The Bureau may, with respect to any product or
 17 service offered by a consumer reporting agency to a con-
 18 sumer, set a fair and reasonable maximum fee that may
 19 be charged for such product or service, except where such
 20 maximum fee is otherwise provided under this title.”; and

21 (2) in the table of contents for such Act, as
 22 amended by section 706, by adding at the end the
 23 following new item:

“635. Fair and reasonable fees for products and services.”.

1 **SEC. 704. PROMOTES ACCESS TO CONSUMER REPORTING**
2 **AND CREDIT SCORING DISCLOSURES FOR**
3 **CONSUMERS WITH LIMITED ENGLISH PRO-**
4 **FICIENCY AND VISUAL AND HEARING IM-**
5 **PAIRMENTS TO ENHANCE THEIR ABILITY TO**
6 **EXERCISE THEIR RIGHTS.**

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

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

11 **“§ 633. Fair access to information for nonnative**
12 **English speakers and the visually and**
13 **hearing impaired**

14 “(a) IN GENERAL.—Not later than 180 days after
15 the date of the enactment of this section, the Bureau shall
16 issue a rule to require consumer reporting agencies and
17 persons who furnish information to consumer reporting
18 agencies under this title, to the maximum extent reason-
19 ably practicable—

20 “(1) to provide any information, disclosures, or
21 other communication with consumers—

22 “(A) in each of the 10 most commonly spo-
23 ken languages, other than English, in the
24 United States, as determined by the Bureau of
25 the Census on an ongoing basis; and

1 “(B) in formats accessible to individuals
2 with hearing or vision impairments; and

3 “(2) to ensure that—

4 “(A) customer service representatives, in-
5 cluding employees assigned to handle disputes
6 or appeals under sections 611 and 623, who are
7 available to assist consumers are highly familiar
8 with the requirements of this title;

9 “(B) such representatives are available
10 during regular business hours and outside of
11 regular business hours, including evenings and
12 weekends; and

13 “(C) at least one among such representa-
14 tives is fluent in each of the 10 most commonly
15 spoken languages, other than English, in the
16 United States, as determined by the Bureau of
17 the Census on an ongoing basis.

18 “(b) BUREAU CONSULTATION.—The Bureau shall
19 consult with advocates for civil rights, consumer groups,
20 community groups, and organizations that serve tradition-
21 ally underserved communities and populations in issuing
22 the rule described in subsection (a).”; and

23 (2) in the table of contents for such Act, by in-
24 serting after the item relating to section 632 (as
25 added by section 701) the following new item:

“633. Fair access to information for nonnative English speakers and the visually and hearing impaired.”.

1 **SEC. 705. ESTABLISHES CONSUMERS’ RIGHT TO SHOP FOR**
 2 **THE BEST DEAL ON CERTAIN LARGE DOLLAR**
 3 **LOANS WITHOUT HARMING THEIR CREDIT**
 4 **STANDING.**

5 Section 605 of the Fair Credit Reporting Act (15
 6 U.S.C. 1681c) is amended by adding at the end the fol-
 7 lowing new subsection:

8 “(h) ENCOURAGING CONSUMERS TO COMPARISON
 9 SHOP FOR LOANS BY TREATING GROUPE ENQUIRIES OF
 10 THE SAME TYPE WITHIN A REASONABLE PERIOD AS A
 11 SINGLE ENQUIRY.—

12 “(1) IN GENERAL.—With respect to multiple
 13 enquiries of the same type made to a consumer re-
 14 porting agency for a consumer report or credit score
 15 with respect to a consumer, any credit scoring model
 16 shall treat such enquiries as a single enquiry if the
 17 enquiries are made within a 120-day period.

18 “(2) DEFINITION OF ENQUIRIES OF THE SAME
 19 TYPE.—With respect to multiple enquiries made to
 20 a consumer reporting agency for a consumer report
 21 or credit score with respect to a consumer, such
 22 enquiries are ‘of the same type’ if the consumer re-
 23 porting agency has reason to believe that the
 24 enquiries are all made for the purpose of deter-

1 mining the consumer’s creditworthiness for an exten-
 2 sion of credit described in one of the following:

3 “(A) A covered residential mortgage loan
 4 (as described in section 605C).

5 “(B) A motor vehicle loan or lease (as de-
 6 scribed in section 609(j)).

7 “(C) A private education loan.

8 “(D) Any other consumer financial product
 9 or service, as determined by the Bureau.”.

10 **SEC. 706. ENDS CONFUSION ABOUT WHETHER ENTITIES**
 11 **ARE ENGAGED IN CONSUMER REPORTING**
 12 **PRACTICES BY CREATING A NATIONWIDE**
 13 **CONSUMER REPORTING AGENCIES REG-**
 14 **ISTRY.**

15 The Fair Credit Reporting Act (15 U.S.C. 1681 et
 16 seq.), as amended by section 704, is further amended—

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

19 **“§ 634. Nationwide consumer reporting agencies reg-**
 20 **istry**

21 “(a) IN GENERAL.—Not later than 1 year after the
 22 date of enactment of this section, the Bureau shall estab-
 23 lish and maintain a publicly accessible registry of con-
 24 sumer reporting agencies described in subsection (p) or
 25 (x) of section 603 (and any other agencies the Bureau de-

1 termines provide similar services to such consumer report-
2 ing agencies) that includes current contact information of
3 each such agency, including the Internet website address
4 of the Internet website described under section 611(g),
5 and information on how consumers can obtain their con-
6 sumer report, credit scores, or educational credit scores
7 (as applicable) by toll-free telephone, postal mail, or elec-
8 tronic means.

9 “(b) REGISTRY REQUIREMENTS.—The registry de-
10 scribed in subsection (a) shall—

11 “(1) identify the largest agencies and the mar-
12 kets and demographics covered by such agencies;
13 and

14 “(2) disclose, with respect to each agency,
15 whether the agency is subject to the supervisory au-
16 thority of the Bureau under this title.

17 “(c) INFORMATION UPDATES.—Each agency de-
18 scribed under subsection (a) shall submit to the Bureau
19 contact information for the registry, including any updates
20 to such information. The Bureau shall—

21 “(1) independently verify information submitted
22 by each agency; and

23 “(2) update the registry not less frequently
24 than annually.”; and

1 (2) in the table of contents for such Act, by in-
2 serting after the item relating to section 633 (as
3 added by section 704) the following new item:

“634. Nationwide consumer reporting agencies registry.”.

4 **TITLE VIII—EXPANDING ACCESS**
5 **TO TOOLS TO PROTECT VUL-**
6 **NERABLE CONSUMERS FROM**
7 **IDENTITY THEFT, FRAUD, OR**
8 **A RELATED CRIME, AND PRO-**
9 **TECT VICTIMS FROM FUR-**
10 **THER HARM**

11 **SEC. 801. IDENTITY THEFT REPORT DEFINITION.**

12 Paragraph (4) of section 603(q) of the Fair Credit
13 Reporting Act (15 U.S.C. 1681a(q)(4)) is amended to
14 read as follows:

15 “(4) IDENTITY THEFT REPORT.—The term
16 ‘identity theft report’ has the meaning given that
17 term by rule of the Bureau, and means, at a min-
18 imum, a report—

19 “(A) that is a standardized affidavit that
20 alleges that a consumer has been a victim of
21 identity theft, fraud, or a related crime, or has
22 been harmed by the unauthorized disclosure of
23 the consumer’s financial or personally identifi-
24 able information, that was developed and made
25 available by the Bureau; or

1 “(B)(i) that alleges an identity theft,
2 fraud, or a related crime, or alleges harm from
3 the unauthorized disclosure of the consumer’s
4 financial or personally identifiable information;

5 “(ii) that is a copy of an official, valid re-
6 port filed by a consumer with an appropriate
7 Federal, State, or local law enforcement agency,
8 including the United States Postal Inspection
9 Service, or such other government agency
10 deemed appropriate by the Bureau; and

11 “(iii) the filing of which subjects the per-
12 son filing the report to criminal penalties relat-
13 ing to the filing of false information if, in fact,
14 the information in the report is false.”.

15 **SEC. 802. CREDIT FREEZE DEFINITION.**

16 Section 603(q) of the Fair Credit Reporting Act (15
17 U.S.C. 1681a(q)(4)) is amended by adding at the end the
18 following new paragraph:

19 “(6) CREDIT FREEZE.—The term ‘credit freeze’
20 means a restriction placed at the request of a con-
21 sumer or a personal representative of the consumer,
22 on the consumer report of the consumer, that pro-
23 hibits a consumer reporting agency described in sec-
24 tion 603(p) from releasing the consumer report for
25 a purpose relating to the extension of credit without

1 the express authorization of the consumer. A credit
2 freeze shall not apply to the use of a consumer re-
3 port by any of the following:

4 “(A) A person, or the person’s subsidiary,
5 affiliate, agent, subcontractor, or assignee with
6 whom the consumer has, or prior to assignment
7 had, an account, contract, or debtor-creditor re-
8 lationship for the purposes of reviewing the ac-
9 tive account or collecting the financial obliga-
10 tion owed on the account, contract, or debt.

11 “(B) A person, or the person’s subsidiary,
12 affiliate, agent, subcontractor, or assignee, to
13 whom access has been granted pursuant to a
14 request by the consumer described under sec-
15 tion 605A(i)(1)(B), for purposes of facilitating
16 the extension of credit or other permissible use.

17 “(C) Any person acting pursuant to a
18 court order, warrant, or subpoena.

19 “(D) A Federal, State, or local govern-
20 ment, or an agent or assignee thereof.

21 “(E) Any person for the sole purpose of
22 providing a credit monitoring or identity theft
23 protection service to which the consumer has
24 subscribed.

1 “(F) Any person for the purpose of pro-
 2 viding a consumer with a copy of the consumer
 3 report, credit score, or educational credit score
 4 of the consumer upon the consumer’s request.

5 “(G) Any person or entity for insurance
 6 purposes, including use in setting or adjusting
 7 a rate, adjusting a claim, or underwriting.

8 “(H) Any person acting pursuant to an au-
 9 thorization from a consumer to use their con-
 10 sumer report for employment purposes.”.

11 **SEC. 803. ENHANCES FRAUD ALERT PROTECTIONS.**

12 Section 605A of the Fair Credit Reporting Act (15
 13 U.S.C. 1681c–1) is amended—

14 (1) in subsection (a)—

15 (A) in the subsection heading, by striking
 16 “ONE-CALL” and inserting “ONE-YEAR”;

17 (B) in paragraph (1)—

18 (i) in the paragraph heading, by strik-
 19 ing “INITIAL ALERTS” and inserting “IN
 20 GENERAL”;

21 (ii) by inserting “or harmed by the
 22 unauthorized disclosure of the consumer’s
 23 financial or personally identifiable informa-
 24 tion,” after “identity theft,”;

25 (iii) in subparagraph (A)—

1 (I) by striking “90 days” and in-
2 serting “1 year”; and

3 (II) by striking “and” at the end;
4 (iv) in subparagraph (B)—

5 (I) by inserting “1-year” before
6 “fraud alert”; and

7 (II) by striking the period at the
8 end and inserting “; and”; and

9 (v) by adding at the end the following
10 new subparagraph:

11 “(C) upon the expiration of the 1-year pe-
12 riod described in subparagraph (A) or a subse-
13 quent 1-year period, and in response to a direct
14 request by the consumer or such representative,
15 continue the fraud alert for a period of 1 addi-
16 tional year if the information asserted in this
17 paragraph remains applicable.”; and

18 (C) in paragraph (2)—

19 (i) in the paragraph heading, by in-
20 serting “AND CREDIT OR EDUCATIONAL
21 CREDIT SCORES” after “REPORTS”;

22 (ii) by inserting “1-year” before
23 “fraud alert”;

1 (iii) in subparagraph (A), by inserting
2 “and credit score or educational credit
3 score” after “file”; and

4 (iv) in subparagraph (B), by striking
5 “any request described in subparagraph
6 (A)” and inserting “the consumer report-
7 ing agency includes the 1-year fraud alert
8 in the file of a consumer”;

9 (2) in subsection (b)—

10 (A) in the subsection heading, by striking
11 “EXTENDED” and inserting “SEVEN-YEAR”;

12 (B) in paragraph (1)—

13 (i) in subparagraph (B)—

14 (I) by striking “5-year period be-
15 ginning on the date of such request”
16 and inserting “such 7-year period”;
17 and

18 (II) by striking “and” at the end;

19 (ii) in subparagraph (C)—

20 (I) by striking “extended” and
21 inserting “7-year”; and

22 (II) by striking the period at the
23 end and inserting “; and”; and

24 (iii) by adding at the end the fol-
25 lowing new subparagraph:

1 “(D) upon the expiration of such 7-year
2 period or a subsequent 7-year period, and in re-
3 sponse to a direct request by the consumer or
4 such representative, continue the fraud alert for
5 a period of 7 additional years if the consumer
6 or such representative submits an updated iden-
7 tity theft report.”; and

8 (C) in paragraph (2)—

9 (i) in the paragraph heading, by in-
10 serting “AND CREDIT OR EDUCATIONAL
11 CREDIT SCORES” after “REPORTS”; and

12 (ii) by amending subparagraph (A) to
13 read as follows:

14 “(A) disclose to the consumer that the con-
15 sumer may request a free copy of the file and
16 credit score or educational credit score of the
17 consumer pursuant to section 612(d) during
18 each 12-month period beginning on the date on
19 which the 7-year fraud alert was included in the
20 file and ending on the date of the last day that
21 the 7-year fraud alert applies to the consumer’s
22 file; and”;

23 (3) in subsection (c)—

24 (A) in paragraph (1), by inserting “or edu-
25 cational credit score” after “credit score”;

1 (B) by redesignating paragraphs (1), (2),
2 and (3), as subparagraphs (A), (B), and (C),
3 respectively (and conforming the margins ac-
4 cordingly);

5 (C) by striking “Upon the direct request”
6 and inserting

7 “(1) IN GENERAL.—Upon the direct request”;
8 and

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

11 “(2) ACCESS TO FREE REPORTS AND CREDIT
12 OR EDUCATIONAL CREDIT SCORES.—If a consumer
13 reporting agency includes an active duty alert in the
14 file of an active duty military consumer, the con-
15 sumer reporting agency shall—

16 “(A) disclose to the active duty military
17 consumer that the active duty military con-
18 sumer may request a free copy of the file and
19 credit score or educational credit score of the
20 active duty military consumer pursuant to sec-
21 tion 612(d), during each 12-month period be-
22 ginning on the date that the activity duty mili-
23 tary alert is requested and ending on the date
24 of the last day the active duty alert applies to

1 the file of the active duty military consumer;
2 and

3 “(B) provide to the active duty military
4 consumer all disclosures required to be made
5 under section 609, without charge to the con-
6 sumer, not later than 3 business days after any
7 request described in subparagraph (A).”;

8 (4) by amending subsection (d) to read as fol-
9 lows:

10 “(d) PROCEDURES.—Each consumer reporting agen-
11 cy described in section 603(p) shall establish and make
12 available to the public on the agency’s Internet website
13 policies and procedures to comply with this section, includ-
14 ing policies and procedures—

15 “(1) that inform consumers of the availability
16 of 1-year fraud alerts, 7-year fraud alerts, active
17 duty alerts, and credit freezes (as applicable);

18 “(2) that allow consumers to request 1-year
19 fraud alerts, 7-year fraud alerts, and active duty
20 alerts (as applicable) and to place, temporarily lift,
21 or fully remove a credit freeze in a simple and easy
22 manner; and

23 “(3) for asserting in good faith a suspicion that
24 the consumer has been or is about to become a vic-
25 tim of identity theft, fraud, or a related crime, or

1 harmed by the unauthorized disclosure of the con-
2 sumer’s financial or personally identifiable informa-
3 tion, for a consumer seeking a 1-year fraud alert or
4 credit freeze.”;

5 (5) in subsection (e), by inserting “1-year or 7-
6 year” before “fraud alert”;

7 (6) in subsection (f), by striking “or active duty
8 alert” and inserting “active duty alert, or credit
9 freeze (as applicable)”;

10 (7) in subsection (g)—

11 (A) by inserting “or has been harmed by
12 the unauthorized disclosure of the consumer’s
13 financial or personally identifiable information,
14 or to inform such agency of the consumer’s par-
15 ticipation in credit restoration or rehabilitation
16 under section 605C, 605D, or 605E,” after
17 “identity theft,”; and

18 (B) by inserting “or credit freezes” after
19 “request alerts”; and

20 (8) in subsection (h)—

21 (A) in paragraph (1)—

22 (i) in the paragraph heading, by strik-
23 ing “INITIAL” and inserting “1-YEAR”; and

- 1 (ii) by striking “initial” and inserting
 2 “1-year” each place such term appears;
 3 and
 4 (B) in paragraph (2)—
 5 (i) in the paragraph heading, by strik-
 6 ing “EXTENDED” and inserting “7-YEAR”;
 7 and
 8 (ii) by striking “extended” and insert-
 9 ing “7-year” each place such term appears.

10 **SEC. 804. ENHANCES ACCESS TO CREDIT FREEZES, LIMITS**
 11 **THE COST OF SUCH FREEZES, AND PROVIDES**
 12 **ACCESS TO FREE CREDIT FREEZES FOR VUL-**
 13 **NERABLE CONSUMERS.**

14 Section 605A of the Fair Credit Reporting Act (15
 15 U.S.C. 1681c–1) is amended by adding at the end the fol-
 16 lowing:

17 “(i) CREDIT FREEZES.—

18 “(1) IN GENERAL.—Upon the direct request of
 19 a consumer, or individual acting on behalf of or as
 20 a personal representative of a consumer, a consumer
 21 reporting agency described in section 603(p) that
 22 maintains a file on the consumer and has received
 23 appropriate proof of the identity of the requester (as
 24 described in section 1022.123 of title 12, Code of
 25 Federal Regulations) shall—

1 “(A) place a credit freeze on the file of the
2 consumer not later than 1 business day after
3 receiving such request sent by postal mail, toll-
4 free telephone, or secure electronic means as es-
5 tablished by the agency and—

6 “(i) not later than 5 business days
7 after placing the credit freeze, provide the
8 consumer with written confirmation of the
9 credit freeze and a unique personal identi-
10 fication number or password (other than
11 the consumer’s social security number) for
12 use to authorize the release of the con-
13 sumer’s report for a specific period of
14 time; and

15 “(ii) disclose all relevant information
16 to the consumer relating to the procedures
17 for temporarily lifting and fully removing a
18 credit freeze, including a statement about
19 the maximum amount of time given to an
20 agency to conduct such actions;

21 “(B) for a consumer who provides a cor-
22 rect personal identification number or pass-
23 word, temporarily lift an existing credit freeze
24 from the consumer’s file for a period of time
25 specified by the consumer for a specific user or

1 category of users, as determined by the con-
2 sumer—

3 “(i) not later than 1 business day
4 after receiving the request by postal mail;
5 or

6 “(ii) not later than 15 minutes after
7 receiving the request by toll-free telephone
8 number or secure electronic means estab-
9 lished by the agency, if such request is re-
10 ceived during regular business hours, ex-
11 cept if the consumer reporting agency’s
12 ability to temporarily lift the credit freeze
13 is prevented by—

14 “(I) an act of God, including
15 earthquakes, hurricanes, storms, or
16 similar natural disaster or phe-
17 nomenon, or fire;

18 “(II) unauthorized or illegal acts
19 by a third party including terrorism,
20 sabotage, riot, vandalism, labor strikes
21 or disputes disrupting operations, or a
22 similar occurrence;

23 “(III) an operational interrup-
24 tion, including electrical failure, unan-
25 ticipated delay in equipment or re-

1 placement part delivery, computer
2 hardware or software failures inhib-
3 iting response time, or a similar dis-
4 ruption;

5 “(IV) governmental action, in-
6 cluding emergency orders or regula-
7 tions, judicial or law enforcement ac-
8 tion, or a similar directive;

9 “(V) regularly scheduled mainte-
10 nance or updates to the consumer re-
11 porting agency’s systems occurring
12 outside of normal business hours; or

13 “(VI) commercially reasonable
14 maintenance of, or repair to, the con-
15 sumer reporting agency’s systems that
16 is unexpected or unscheduled; or

17 “(C) for a consumer who provides a cor-
18 rect personal identification number or pass-
19 word, fully remove an existing credit freeze
20 from the file of the consumer not later than 1
21 business day after receiving such request by
22 postal mail, toll-free telephone, or secure elec-
23 tronic means established by the agency.

24 “(2) FEES.—

1 “(A) CLASSES OF CONSUMERS.—The Bu-
2 reau may establish classes of consumers eligible
3 to place, temporarily lift, or fully remove a
4 credit freeze free of charge.

5 “(B) NO FEE.—A consumer reporting
6 agency described in section 603(p) may not
7 charge a consumer a fee to place, temporarily
8 lift, or fully remove a credit freeze if the con-
9 sumer or a representative of the consumer—

10 “(i) asserts in good faith a suspicion
11 that the consumer has been or is about to
12 become a victim of identity theft, fraud, or
13 a related crime, or harmed by the unau-
14 thorized disclosure of the consumer’s fi-
15 nancial or personally identifiable informa-
16 tion;

17 “(ii) is an active duty military con-
18 sumer;

19 “(iii) is 65 years of age or older; or

20 “(iv) is a member of a class estab-
21 lished by the Bureau under subparagraph
22 (A).

23 “(C) LIMITATION ON FEES.—For con-
24 sumers not described in subparagraph (B), a
25 consumer reporting agency may charge not

1 more than \$3 (as adjusted by the Bureau on
2 January 1st of each year, based proportionally
3 on changes in the Consumer Price Index for All
4 Urban Consumers published by the Bureau of
5 Labor and Statistics of the Department of
6 Labor, with fractional changes rounded to the
7 nearest 50 cents) for each request by a con-
8 sumer or a representative of the consumer to
9 place, temporarily lift, or fully remove a credit
10 freeze.

11 “(3) ACCESS TO FREE REPORTS AND CREDIT
12 OR EDUCATIONAL CREDIT SCORES.—If a consumer
13 reporting agency includes a credit freeze in the file
14 of a consumer described in paragraph (2)(A), the
15 consumer reporting agency shall—

16 “(A) disclose to the consumer that the con-
17 sumer may request a free copy of the file and
18 credit score or educational credit score of the
19 consumer pursuant to section 612(d) on an an-
20 nual basis beginning on the date the freeze is
21 placed and ending on the date that is 12
22 months after the freeze is fully removed; and

23 “(B) provide to the consumer all disclo-
24 sures required to be made under section 609,
25 without charge to the consumer, not later than

1 3 business days after any request described in
2 paragraph (1) is made.

3 “(4) OTHER REQUIREMENTS.—During the pe-
4 riod beginning on the date a consumer or a rep-
5 resentative of the consumer requests to place a cred-
6 it freeze and ending the date on which the consumer
7 or representative requests to fully remove a credit
8 freeze, a consumer reporting agency shall exclude
9 the consumer from any list of consumers prepared
10 by the consumer reporting agency and provided to
11 any third party to offer credit or insurance to the
12 consumer as part of a transaction that was not initi-
13 ated by the consumer, unless the consumer or such
14 representative requests that such exclusion be re-
15 scinded before end of such period.

16 “(5) NOTICE TO CONSUMERS REGARDING
17 CHANGES TO CERTAIN PERSONALLY IDENTIFIABLE
18 INFORMATION.—A consumer reporting agency may
19 not change the name, date of birth, social security
20 number, or address of a consumer in the file of the
21 consumer during the period that a credit freeze is in
22 place unless the consumer reporting agency sends a
23 written confirmation of the change to the consumer
24 within 30 days of the change being posted to the
25 consumer’s file. Written confirmation shall not be

1 required for technical modifications of a consumer's
2 personally identifiable information including name
3 and street abbreviations, complete spellings, or
4 transposition of numbers or letters. In the case of an
5 address change of the consumer, any written con-
6 firmation shall be sent to the new address and
7 former address of the consumer.

8 “(6) NONAPPLICABILITY TO CERTAIN PUBLIC
9 RECORD INFORMATION.—A credit freeze placed on
10 the file of a consumer shall not prohibit a consumer
11 reporting agency from disclosing public record infor-
12 mation lawfully obtained by, or for, the consumer re-
13 porting agency from an open public record.

14 “(7) RELATION TO STATE LAW.—This sub-
15 section does not annul, alter, or affect in any man-
16 ner the meaning, scope or applicability of the laws
17 of any State relating to credit freezes or other simi-
18 lar actions, except to the extent those laws are in-
19 consistent with any provision of this title, and then
20 only to the extent of the inconsistency. For purposes
21 of this subsection, a term or provision of a State law
22 is not inconsistent with the provisions of this sub-
23 section if the term or provision affords greater pro-
24 tection and benefit to the consumer than the protec-
25 tion and benefit provided under this subsection as

1 determined by the Bureau, on its own motion or
2 upon the petition of any interested party.”.

3 **SEC. 805. REQUIRES DISCLOSURE OF CONSUMER RIGHTS**
4 **RELATED TO CREDIT FREEZES.**

5 (a) SUMMARY OF RIGHTS RELATED TO CREDIT
6 FREEZES.—Section 609(c)(1) of the Fair Credit Report-
7 ing Act (15 U.S.C. 1681g(c)(1)), as amended by section
8 105(d)(1)(C)(iv), is further amended by adding at the end
9 the following new subparagraph:

10 “(E) SUMMARY OF RIGHTS RELATED TO
11 CREDIT FREEZES.—The Bureau shall publish,
12 and consumer reporting agencies described
13 under section 603(p) shall distribute to con-
14 sumers, the following notice:

15 **“CREDIT FREEZES.**

16 ““Consumers have the right to obtain a credit freeze
17 under Federal law from any of the nationwide consumer
18 reporting agencies. You have a right to place a credit
19 freeze on your consumer report, which will prohibit a con-
20 sumer reporting agency from releasing information in your
21 consumer report without your express authorization. A
22 credit freeze may be requested in writing by mail, by toll-
23 free telephone, or by electronic means as provided by a
24 consumer reporting agency. A credit freeze is designed to
25 prevent credit, loans, and services from being approved in

1 your name without your consent. If you are actively seek-
2 ing a new credit, loan, utility, telephone, or insurance ac-
3 count, you should understand that the procedures involved
4 in lifting a credit freeze may slow your applications for
5 such accounts and you should plan ahead and lift a freeze
6 in advance of actually applying for any of these type of
7 accounts. When you place a credit freeze on your con-
8 sumer report, you will be provided a personal identification
9 number or password to use if you choose to fully remove
10 the freeze on your consumer report or temporarily author-
11 ize the release of your consumer report for a period of
12 time after the freeze is in place to a specific party or par-
13 ties. To provide that authorization you must contact each
14 consumer reporting agency individually and provide your
15 personal identification number or password, proper identi-
16 fication to verify your identity, and the period of time for
17 which you would like the report to be available. A con-
18 sumer reporting agency must authorize the release of your
19 consumer report no later than 15 minutes after receiving
20 the above information if the request is by toll-free tele-
21 phone, or secure electronic means, and no later than one
22 business day when a written request is submitted by mail.
23 A credit freeze does not apply to a person or entity, or
24 its affiliates or collection agencies acting on behalf of the
25 person or entity, with which you have an existing account,

1 that requests information in your consumer report for the
 2 purposes of reviewing or collecting the account. Reviewing
 3 the account includes activities related to account mainte-
 4 nance. Unless you suspect you have been or are about to
 5 become a victim of identity theft, fraud, a related crime,
 6 or harmed by the unauthorized disclosure of your financial
 7 or personally identifiable information, are an active duty
 8 military servicemember, are 65 years of age or older, or
 9 as otherwise identified as an eligible consumer by the Bu-
 10 reau of Consumer Financial Protection, a consumer re-
 11 porting agency has the right to charge you a fee of no
 12 more than \$3 dollars each time you place, temporarily lift,
 13 or fully remove a credit freeze. However, if you reside in
 14 a State that provides greater protections with respect to
 15 the circumstances, method, or frequency for obtaining a
 16 credit freeze than is available under the Federal law, those
 17 State protections and benefits will apply to you.’”.

18 (b) CLARIFICATION OF INFORMATION TO BE IN-
 19 CLUDED WITH AGENCY DISCLOSURES.—Section
 20 609(c)(2) of such Act (15 U.S.C. 1681g(c)(2)) is amend-
 21 ed—

22 (1) in subparagraph (B)—

23 (A) by striking “consumer reporting agen-
 24 cy described in section 603(p)” and inserting

1 “consumer reporting agency described in sub-
2 section (p) or (x) of section 603”;

3 (B) by striking “the agency” and inserting
4 “such an agency”; and

5 (C) by inserting “and an Internet website
6 address” after “hours”; and

7 (2) in subparagraph (E), by striking “outdated
8 under section 605 or” and inserting “outdated, re-
9 quired to be removed, or”.

10 **SEC. 806. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**
11 **TIMS.**

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

14 (1) in paragraph (1)—

15 (A) by striking “resulting from identity
16 theft”;

17 (B) by striking “claim of identity theft”
18 and inserting “claim of fraudulent activity”;
19 and

20 (C) by striking “any transaction alleged to
21 be a result of identity theft” and inserting “any
22 fraudulent transaction”;

23 (2) in paragraph (2)(B)—

1 (A) by striking “identity theft, at the elec-
2 tion of the business entity” and inserting
3 “fraudulent activity”;

4 (B) by amending clause (i) to read as fol-
5 lows:

6 “(i) a copy of an identity theft report;
7 or”; and

8 (C) by amending clause (ii) to read as fol-
9 lows:

10 “(ii) an affidavit of fact that is ac-
11 ceptable to the business entity for that
12 purpose.”;

13 (3) in paragraph (3), by striking “identity
14 theft” and inserting “fraudulent activity”;

15 (4) by striking paragraph (8) and redesignating
16 paragraphs (9) through (13) as paragraphs (8)
17 through (12), respectively; and

18 (5) in paragraph (10) (as so redesignated), by
19 striking “or similar crime” and inserting “, fraud, or
20 a related crime”.

21 **SEC. 807. REQUIRED BUREAU TO SET PROCEDURES FOR**
22 **REPORTING IDENTITY THEFT, FRAUD, AND**
23 **OTHER RELATED CRIME.**

24 Section 621(f)(2) of the Fair Credit Reporting Act
25 (15 U.S.C. 1681s(f)(2)) is amended—

1 (1) in the paragraph heading, by striking
2 “MODEL FORM” and inserting “STANDARDIZED AF-
3 FIDAVIT”;

4 (2) by striking “The Commission” and insert-
5 ing “The Bureau”;

6 (3) by striking “model form” and inserting
7 “standardized affidavit”;

8 (4) by inserting after “identity theft” the fol-
9 lowing: “, fraud, or a related crime, or otherwise are
10 harmed by the unauthorized disclosure of the con-
11 sumer’s financial or personally identifiable informa-
12 tion,”; and

13 (5) by striking “fraud.” and inserting “identity
14 theft, fraud, or other related crime. Such standard-
15 ized affidavit and procedures shall not include a re-
16 quirement that a consumer obtain a police report.”.

17 **SEC. 808. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**
18 **TORING AND IDENTITY THEFT PROTECTION**
19 **SERVICES FOR CERTAIN CONSUMERS.**

20 Section 605A of the Fair Credit Reporting Act (15
21 U.S.C. 1681c–1(a)), as amended by section 804, is further
22 amended by adding at the end the following:

23 “(j) CREDIT MONITORING AND IDENTITY THEFT
24 PROTECTION SERVICES.—

1 “(1) IN GENERAL.—Upon the direct request of
2 a consumer, or individual acting on behalf of or as
3 a personal representative of a consumer, a consumer
4 reporting agency described in section 603(p) that
5 maintains a file on the consumer and has received
6 appropriate proof of the identity of the requester (as
7 described in section 1022.123 of title 12, Code of
8 Federal Regulations) shall provide the consumer
9 with credit monitoring and identity theft protection
10 services not later than 1 business day after receiving
11 such request sent by postal mail, toll-free telephone,
12 or secure electronic means as established by the
13 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 military con-
15 sumer;

16 “(v) is 65 years of age or older; or

17 “(vi) is a member of a class estab-
18 lished by the Bureau under subparagraph
19 (A).

20 “(3) BUREAU RULEMAKING.—The Bureau shall
21 issue regulations—

22 “(A) to define the scope of credit moni-
23 toring and identity theft protection services re-
24 quired under this subsection; and

1 “(B) to set a fair and reasonable fee that
2 a consumer reporting agency may charge a con-
3 sumer (other than a consumer described under
4 paragraph (2)(B)) for such credit monitoring
5 and identity theft protection services.

6 “(4) RELATION TO STATE LAW.—This sub-
7 section does not annul, alter, or affect in any man-
8 ner the meaning, scope or applicability of the laws
9 of any State relating to credit monitoring and iden-
10 tity theft protection services or other similar actions,
11 except to the extent those laws are inconsistent with
12 any provision of this title, and then only to the ex-
13 tent of the inconsistency. For purposes of this sub-
14 section, a term or provision of a State law is not in-
15 consistent with the provisions of this subsection if
16 the term or provision affords greater protection and
17 benefit to the consumer than the protection and ben-
18 efit provided under this subsection as determined by
19 the Bureau, on its own motion or upon the petition
20 of any interested party.”.

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 308, is further
 6 amended by adding at the end the following:

7 “(14) 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 RELATED TO DAYS.**

13 Section 603 of the Fair Credit Reporting Act (15
 14 U.S.C. 1681a), as amended by section 601, is further
 15 amended by adding at the end the following:

16 “(bb) 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
18 affecting consumers’ lives depend upon fair, com-
19 plete, and accurate credit reporting. Inaccurate and
20 incomplete credit reports directly impair the effi-
21 ciency of the financial system and undermine the in-
22 tegrity of using credit reports in other cir-
23 cumstances, and unfair credit reporting and credit
24 scoring methods undermine the public confidence
25 which is essential to the continued functioning of the

1 financial services system and the provision of many
2 other consumer products and services.”; and

3 (B) in paragraph (4), by inserting after
4 “agencies” the following: “, furnishers, and
5 credit scoring developers”; and

6 (2) in subsection (b)—

7 (A) by striking “It is the purpose of this
8 title to require” and inserting the following:
9 “The purpose of this title is the following:

10 “(1) To require”; and

11 (B) by adding at the end the following:

12 “(2) To prohibit any practices and procedures
13 with respect to credit reports and credit scores that
14 are not in the public interest.”.

15 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE
16 PUBLIC INTEREST.—

17 The Fair Credit Reporting Act (15 U.S.C. 1681
18 et seq.), as amended by section 703, is further
19 amended—

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

22 **“§ 636. Voiding of certain contracts not in the public**
23 **interest**

24 “(a) IN GENERAL.—Any provision contained in a
25 contract that requires a person to not follow a provision

1 of this title, that is against the public interest, or that
2 otherwise circumvents the purposes of this title shall be
3 null and void.

4 “(b) RULE OF CONSTRUCTION.—Nothing in sub-
5 section (a) shall be construed as affecting other provisions
6 of a contract that are not described under subsection
7 (a).”; and

8 (2) in the table of contents for such Act, by
9 adding at the end the following new item:

“636. Voiding of certain contracts not in the public interest.”.

10 **SEC. 904. GENERAL BUREAU RULEMAKING.**

11 Except as otherwise provided, not later than the end
12 of the 2-year period beginning on the date of the enact-
13 ment of this Act, the Bureau of Consumer Financial Pro-
14 tection shall issue final rules to implement the amend-
15 ments made by this Act.

○