

119TH CONGRESS  
2D SESSION

# H. R. 9639

To amend the Fair Credit Reporting Act to restore the impaired credit of victims of predatory activities and unfair consumer reporting practices, to expand access to tools to protect vulnerable consumers from identity theft, fraud, or a related crime, and protect victims from further harm, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2026

Ms. TLAIB (for herself, Ms. NORTON, Ms. STANSBURY, and Mr. CARSON) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Fair Credit Reporting Act to restore the impaired credit of victims of predatory activities and unfair consumer reporting practices, to expand access to tools to protect vulnerable consumers from identity theft, fraud, or a related crime, and protect victims from further harm, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Fostering Accuracy and Integrity in the Reporting of  
 4 Credit Act” or the “FAIR Credit Act”.

5 (b) TABLE OF CONTENTS.—The table of contents for  
 6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Effective date.
- Sec. 4. General bureau rulemaking.

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

- Sec. 101. Shortens the time period that most adverse credit information stays  
 on consumer reports.
- Sec. 102. Mandates the expedited removal of fully paid or settled debt from  
 consumer reports.
- Sec. 103. Prohibits the appearance of medical debt on consumer reports.
- Sec. 104. Provides credit restoration for victims of predatory mortgage lending  
 and servicing.
- Sec. 105. Provides credit relief for education loan borrowers who were de-  
 frauded or misled by proprietary education institution or ca-  
 reer education programs.
- Sec. 106. Establishes right for victims of economic abuse to have adverse infor-  
 mation removed from their consumer reports.
- Sec. 107. Prohibits treatment of credit restoration or rehabilitation as adverse  
 information.

**TITLE II—EXPANDING ACCESS TO TOOLS TO PROTECT VULNER-  
 ABLE CONSUMERS FROM IDENTITY THEFT, FRAUD, OR A RE-  
 LATED CRIME, AND PROTECT VICTIMS FROM FURTHER HARM**

- Sec. 201. Medical debt definition.
- Sec. 202. Identity theft definition.
- Sec. 203. Identity theft report definition.
- Sec. 204. Amendment to protection for files and credit records of protected  
 consumers.
- Sec. 205. Enhances fraud alert protections.
- Sec. 206. Amendment to security freezes for consumer reports.
- Sec. 207. Clarification of information to be included with agency disclosures.
- Sec. 208. Provides access to fraud records for victims.
- Sec. 209. Requires Bureau to set procedures for reporting identity theft, fraud,  
 and other related crime.
- Sec. 210. Establishes the right to free credit monitoring and identity theft pro-  
 tection services for certain consumers.
- Sec. 211. Ensures removal of inquiries resulting from identity theft, fraud, or  
 other related crime from consumer reports.

## TITLE III—MISCELLANEOUS

Sec. 301. Definitions.

Sec. 302. Technical correction related to risk-based pricing notices.

Sec. 303. FCRA findings and purpose; voids certain contracts not in the public interest.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) GENERAL FINDINGS.—

4 (A) Consumer reports play an increasingly  
5 important role in the lives of United States con-  
6 sumers. Most creditors, for example, review  
7 these reports to make decisions about whether  
8 to extend credit to consumers and what terms  
9 and conditions to offer them. As such, informa-  
10 tion contained in these reports affects whether  
11 a person is able to get a private education loan  
12 to pay for college costs, to secure a mortgage  
13 loan to buy a home, or to obtain a credit card,  
14 as well as the terms and conditions under which  
15 consumer credit products or services are offered  
16 to them.

17 (B) Credit reports are also increasingly  
18 used for many noncredit decisions, including by  
19 landlords to determine whether to rent an  
20 apartment to a prospective tenant and by em-  
21 ployers to decide whether to hire potential job

1 applicants or to offer a promotion to existing  
2 employees.

3 (C) Consumer reporting agencies  
4 (“CRAs”) have a statutory obligation to verify  
5 independently the accuracy and completeness of  
6 information included on the reports that they  
7 provide.

8 (D) The nationwide CRAs have failed to  
9 establish and follow reasonable procedures, as  
10 required by existing law, to establish the max-  
11 imum level of accuracy of information contained  
12 on consumer reports. Given the repeated fail-  
13 ures of these CRAs to comply with accuracy re-  
14 quirements on their own, this legislation is in-  
15 tended to provide them with detailed guidance  
16 improving the accuracy and completeness of in-  
17 formation contained in consumer reports, in-  
18 cluding procedures, policies, and practices that  
19 these CRAs should already be following to en-  
20 sure full compliance with their existing obliga-  
21 tions.

22 (E) The presence of inaccurate or incom-  
23 plete information on these reports can result in  
24 substantial financial and emotional harm to  
25 consumers. Credit reporting errors can lead to

1 the loss of a new employment opportunity or a  
2 denial of a promotion in an existing job, stop  
3 someone from being able to access credit on fa-  
4 vorable terms, prevent a person from obtaining  
5 rental housing, or even trigger mental distress.

6 (F) Current industry practices impose an  
7 unfair burden of proof on consumers trying to  
8 fix errors on their reports.

9 (G) Consumer reports containing inac-  
10 curate or incomplete credit information also un-  
11 dermine the ability of creditors and lenders to  
12 effectively and accurately underwrite and price  
13 credit.

14 (H) Recognizing that credit reporting af-  
15 fects the lives of almost all consumers in this  
16 country and that the consequences of errors on  
17 a consumer report can be catastrophic for a  
18 consumer, the Bureau of Consumer Financial  
19 Protection (“Consumer Bureau”) began accept-  
20 ing consumer complaints about credit reporting  
21 shortly after its inception.

22 (I) The Consumer Bureau receives millions  
23 of credit or consumer reporting complaints each  
24 year, making credit reporting consistently the  
25 most-complained-about subject matter on which

1 the Consumer Bureau accepts consumer com-  
2 plaints.

3 (J) The majority of credit reporting com-  
4 plaints received by the Consumer Bureau in-  
5 volve incorrect information on consumer re-  
6 ports, with consumers frequently expressing  
7 their frustrations about the burdensome and  
8 time-consuming process to disputing items.

9 (K) Other common types of credit report-  
10 ing complaints submitted to the Consumer Bu-  
11 reau relate to the improper use of a report,  
12 trouble obtaining a report or credit score,  
13 CRAs' investigations, and credit monitoring or  
14 identity protection.

15 (L) Unlike most other business relation-  
16 ships, where consumers can register their satis-  
17 faction or unhappiness with a particular credit  
18 product or service simply by taking their busi-  
19 ness elsewhere, consumers have no say in  
20 whether their information is included in the  
21 CRAs databases and limited legal remedies to  
22 hold the CRAs accountable for inaccuracies or  
23 poor service.

24 (M) Accordingly, despite the existing statu-  
25 tory mandate for CRAs to follow reasonable

1 procedures to assure the maximum possible ac-  
2 curacy of the information whenever they pre-  
3 pare consumer reports, numerous studies, the  
4 high volume of consumer complaints submitted  
5 to the Consumer Bureau about incorrect infor-  
6 mation on consumer reports, and supervisory  
7 activities by the Consumer Bureau demonstrate  
8 that CRAs continue to skirt their obligations  
9 under the law.

10 (2) STUDENT LOANS.—

11 (A) Many private education loan bor-  
12 rowers, who have sought to negotiate a modified  
13 repayment plan when they were experiencing a  
14 period of financial distress, have been unable to  
15 get assistance from their loan holders, which  
16 often results in them defaulting on their loans.

17 (B) Although private student loan holders  
18 may allow a borrower to postpone payments  
19 while enrolled in school full-time, many limit  
20 this option to a certain time period. This period  
21 may not be sufficient for those who need addi-  
22 tional time to obtain their degree or who want  
23 to continue their education by pursuing a grad-  
24 uate or professional degree. Borrowers who are  
25 unable to make payments often default or have

1           their accounts sent to collections before they are  
2           even able to graduate.

3           (C) The number of Federal student loan  
4           borrowers behind on their payments is at an all-  
5           time high, as many of those with Federal stu-  
6           dent loans have struggled to resume payments  
7           after the pandemic-era pause in collections was  
8           rescinded. More than 7,700,000 Federal stu-  
9           dent loan borrowers are in default on over  
10          \$179,000,000,000 in loans.

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

14                (A) Observers have repeatedly noted the  
15                pervasive problem of for-profit schools targeting  
16                low-income students with deceptive high-pres-  
17                sure sales techniques involving inflated job  
18                placement rates and misleading data on grad-  
19                uate wages, and false representations about the  
20                transferability of credits and the employability  
21                of graduates in occupations that require licen-  
22                sure. Student loan borrowers at these schools  
23                may be left with nothing but worthless creden-  
24                tials and large debt.



1 (B) A disproportionate number of for-profit  
2 it students are low-income and people of color.  
3 For-profit schools target veterans, working par-  
4 ents, first-generation students, and non-English  
5 speaking students, who may be more likely than  
6 their public or private nonprofit school counter-  
7 parts to drop out, incur enormous student debt,  
8 and default on this debt.

9 (C) There are emerging predatory prac-  
10 tices emerging from instances where non-profit  
11 higher education institutions use Online Pro-  
12 gram Managers to design and run online pro-  
13 grams. OPMs often use deceptive recruitment  
14 tactics and target non-traditional students,  
15 working adults, students of color, and students  
16 from low-income backgrounds.

17 (4) MEDICAL DEBT.—

18 (A) Research by the Consumer Bureau has  
19 found that the inclusion of medical collections  
20 on consumer reports has unfairly reduced con-  
21 sumers' credit scores.

22 (B) Research by the Consumer Bureau  
23 and the National Bureau of Economic Research  
24 have found that medical debt on credit reports  
25 is not predictive of credit risk. Credit scores

1 may underestimate a person's creditworthiness  
2 by up to 10 points for those who owe medical  
3 debt, and may underestimate a person's credit-  
4 worthiness by up to 22 points after the medical  
5 debt has been paid, according to findings from  
6 the Consumer Bureau.

7 (C) The Consumer Bureau has found that  
8 15,000,000 consumers have medical debt total-  
9 ing \$89,000,000,000 on their credit reports.

10 (D) Medical bills can be complex and con-  
11 fusing for many consumers, which results in  
12 consumers' uncertainty about what they owe, to  
13 whom, when, or for what, that may cause some  
14 people, who ordinarily pay their bills on time, to  
15 delay or withhold payments on their medical  
16 debts. This uncertainty can also result in med-  
17 ical collections appearing on consumer reports.  
18 Unlike with most credit products or services,  
19 that have contractual account disclosures de-  
20 scribing the terms and conditions of use, most  
21 consumers are not told what their out-of-pocket  
22 medical costs will be in advance. Consumers  
23 needing urgent or emergency care rarely know,  
24 or are provided, the cost of a medical treatment  
25 or procedure before the service is rendered.

1 (E) Medical debt is regularly incurred in-  
2 voluntarily, for necessary and often life-saving  
3 medical services, and is therefore unlike other  
4 debt.

5 (F) Given the research showing there is lit-  
6 tle predictive value in medical debt information,  
7 and the unique nature of medical debt, the re-  
8 porting of medical debt on credit reports should  
9 be prohibited.

10 (G) For all of these reasons, the CFPB  
11 issued a regulation in January 2025, prohib-  
12 iting medical debt from being included in credit  
13 reports sent to lenders. However, a Federal  
14 judge vacated this rule in July 2025, and in  
15 October 2025, the Trump administration's  
16 CFPB issued non-legally binding guidance that  
17 the Fair Credit Reporting Act generally pre-  
18 empts States from removing medical debt from  
19 credit reports.

20 (5) ECONOMIC ABUSE BY KNOWN PERSONS.—

21 (A) Economic abuse and exploitation are  
22 frequently associated with domestic violence.  
23 Multiple studies have found that more than 93  
24 percent of survivors of intimate partner violence  
25 report experiencing economic abuse. This type

1 of abuse may result in fraudulent charges to a  
2 credit card or having fraudulent accounts cre-  
3 ated by the abuser in the survivor's name. Eco-  
4 nomic abuse may also result in the survivor's  
5 inability to make timely payments on their valid  
6 obligations due to loss or changes in income  
7 that can occur when their abuser steals from or  
8 coerces the survivor to relinquish their pay-  
9 checks or savings.

10 (B) By racking up substantial debts in the  
11 survivor's name, an abuser can exercise finan-  
12 cial control over the survivor to make it eco-  
13 nomically difficult for the survivor, whose credit  
14 is often destroyed, to escape the situation.

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

23 (D) Providing documentation of identity  
24 ("ID") theft in order to dispute information on  
25 one's consumer report can be particularly chal-

1           lenging for those who know their economic  
2           abuser.

3           (E) While it is easier for consumers who  
4           obtain a police report to remove fraudulent in-  
5           formation from their consumer report and pre-  
6           vent it from reappearing in the future, safety  
7           and other noncredit concerns may impact the  
8           capacity of a survivor of economic abuse com-  
9           mitted by a known person to turn to law en-  
10          forcement to get a police report.

11          (F) Domestic abuse survivors, seeking to  
12          remove adverse information stemming from eco-  
13          nomic abuse by contacting their furnishers di-  
14          rectly, often face skepticism about claims of ID  
15          theft perpetrated by a partner because of an as-  
16          sumption that they are aware of, and may have  
17          been complicit in, the activity which the sur-  
18          vivor alleges stems from economic abuse.

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

21          (A) The three nationwide CRAs have faced  
22          millions of dollars in fines and civil monetary  
23          penalties for deceptive practices, including en-  
24          ticing consumers into purchasing products and  
25          services that they may not want or need, in

1 some instances by advertising products or serv-  
2 ices “free” that automatically converted into an  
3 ongoing subscription service at the regular price  
4 unless cancelled by the consumer. Codifying the  
5 duties of CRAs is an appropriate way to ensure  
6 these companies do not engage in such mis-  
7 leading behaviors in the future.

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

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

24 (7) PROTECTIONS FOR CONSUMERS’ CREDIT IN-  
25 FORMATION.—

1 (A) Despite heightened awareness, inci-  
2 dents of ID theft continue to rise. As these inci-  
3 dents increase, consumers experience significant  
4 financial loss and emotional distress from the  
5 inability to safeguard effectively and inexpen-  
6 sively their credit information from bad actors.

7 (B) Children are much more likely than  
8 adults to have their identities stolen. Child iden-  
9 tities are valuable to thieves because most chil-  
10 dren do not have existing files, and their par-  
11 ents may not notice fraudulent activity until  
12 their child applies for a student loan, a job, or  
13 a credit card. As a result, the fraudulent activ-  
14 ity of the bad actors may go undetected for  
15 years.

16 (C) Despite the increasing incidents of  
17 children's ID theft, parents who want to  
18 proactively prevent their children from having  
19 their identity stolen, may not be able to do so.  
20 Nationwide Federal law to address this issue is  
21 lacking.

22 (D) Each year, more than 10,000,000  
23 United States consumers are victims of identity  
24 theft, costing them roughly \$20,000,000,000  
25 annually.

1           (E) United States consumers spend billions  
2           of dollars annually on products aimed at pro-  
3           tecting their identity. As risks to consumers'  
4           personal and financial information continue to  
5           grow, consumers need additional protections to  
6           ensure that they have fair and reasonable ac-  
7           cess to the full suite of ID theft and fraud pre-  
8           vention measures that may be right for them.

9   **SEC. 3. EFFECTIVE DATE.**

10          Except as otherwise specified, the amendments made  
11       by this Act shall take effect 2 years after the date of the  
12       enactment of this Act.

13   **SEC. 4. GENERAL BUREAU RULEMAKING.**

14          Except as otherwise provided, not later than the end  
15       of the 2-year period beginning on the date of the enact-  
16       ment of this Act, the Bureau of Consumer Financial Pro-  
17       tection shall issue final rules to implement the amend-  
18       ments made by this Act.



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

6 **SEC. 101. 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 (9), (10), (11), (12), or  
24 (13), or if deletion is required by section 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 if deletion is re-  
6 quired by section 605D, 605E, or 605F”;  
7 and

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

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

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

16 “(A) brought by an education loan holder  
17 that, from the date of successful completion of  
18 credit restoration or rehabilitation in accord-  
19 ance with the requirements of section 605E,  
20 antedates the report by 45 calendar days; or

21 “(B) brought by a lender with respect to  
22 a covered residential mortgage loan where the  
23 consumer has obtained relief pursuant to sec-  
24 tion 605D that antedates the report by 45 cal-  
25 endar days.

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

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

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

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

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

18               (1) in section 616(d), by striking “section  
19               605(g)” each place that term appears and inserting  
20               “section 605(f)”; and

21               (2) in section 625(b)(5)(A), by striking “section  
22               605(g)” and inserting “section 605(f)”.

1 **SEC. 102. MANDATES THE EXPEDITED REMOVAL OF FULLY**  
2 **PAID OR SETTLED DEBT FROM CONSUMER**  
3 **REPORTS.**

4 Section 605(a) of the Fair Credit Reporting Act (15  
5 U.S.C. 1681c(a)), as amended by section 101(a)(1), is fur-  
6 ther amended by adding at the end the following new para-  
7 graph:

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

14 **SEC. 103. PROHIBITS THE APPEARANCE OF MEDICAL DEBT**  
15 **ON CONSUMER REPORTS.**

16 (a) PROHIBITION ON REPORTING MEDICAL PROCE-  
17 DURES.—Section 605(a) of the Fair Credit Reporting Act  
18 (15 U.S.C. 1681c(a)), as amended by sections 101(a)(1)  
19 and 102, is further amended by striking paragraph (6)  
20 and inserting:

21 “(6) Any information related to a medical debt,  
22 including a medical debt that was placed for collec-  
23 tion, charged to profit or loss, or subjected to any  
24 similar action.”.

1 (b) TECHNICAL AMENDMENT.—Section 604(g)(1) of  
2 the Fair Credit Reporting Act (15 U.S.C. 1681b(g)(1))  
3 is amended by striking subparagraph (C).

4 **SEC. 104. PROVIDES CREDIT RESTORATION FOR VICTIMS**  
5 **OF PREDATORY MORTGAGE LENDING AND**  
6 **SERVICING.**

7 (a) IN GENERAL.—The Fair Credit Reporting Act  
8 (15 U.S.C. 1681 et seq.) is amended by inserting after  
9 section 605C the following new section:

10 **“§ 605D. Credit restoration for victims of predatory**  
11 **mortgage lending**

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

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

1           “(2) is related to an unfair, deceptive, or abu-  
2           sive act, practice, or a fraudulent, discriminatory, or  
3           illegal activity of a financial institution that is the  
4           subject of a settlement agreement initiated on behalf  
5           of a consumer or consumers and that is between the  
6           financial institution and an agency or department of  
7           a Federal, State, or local government, regardless of  
8           whether such settlement includes an admission of  
9           wrongdoing.

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

18               “(1) a manufactured home (as defined in sec-  
19               tion 603 of the Housing and Community Develop-  
20               ment Act of 1974 (42 U.S.C. 5402));

21               “(2) any installment sales contract, land con-  
22               tract, or contract for deed on a residential property;  
23               or

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

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 the  
 4 following new item:

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

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

8 **SEC. 105. PROVIDES CREDIT RELIEF FOR EDUCATION LOAN**  
 9 **BORROWERS WHO WERE DEFRAUDED OR**  
 10 **MISLEAD BY PROPRIETARY EDUCATION IN-**  
 11 **STITUTION OR CAREER EDUCATION PRO-**  
 12 **GRAMS.**

13 (a) IN GENERAL.—The Fair Credit Reporting Act  
 14 (15 U.S.C. 1681 et seq.), as amended by section 104, is  
 15 further amended by inserting after section 605D the fol-  
 16 lowing new section:

17 **“§ 605E. Education loan credit restoration for de-**  
 18 **frauded student borrowers who attend**  
 19 **certain higher educational institutions or**  
 20 **career education programs**

21 **“(a) PROCESS FOR CERTIFICATION AS A QUALIFYING**  
 22 **EDUCATION LOAN BORROWER.—**

23 **“(1) IN GENERAL.—**A consumer may submit a  
 24 request to the Bureau, along with a defraudment

1 claim, to be certified as a qualifying education loan  
2 borrower with respect to an education loan.

3 “(2) CERTIFICATION.—The Bureau shall certify  
4 a consumer described in paragraph (1) as a quali-  
5 fying education loan borrower with respect to an  
6 education loan if the Bureau or a court of competent  
7 jurisdiction determines that the consumer has a  
8 valid defraudment claim with respect to such loan.

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

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

25 “(d) PROCEDURES.—The Bureau shall—



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

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

5           “(3) develop ongoing outreach initiatives and  
6       education programs to inform consumers of the cir-  
7       cumstances under which such consumer may be eli-  
8       gible to be certified as a qualifying education loan  
9       borrower with respect to an education loan;

10          “(4) establish procedures, including the man-  
11       ner, form, and content of the notice informing an  
12       educational loan holder of the prohibition on report-  
13       ing any adverse information relating to an education  
14       loan with respect to which a consumer is a quali-  
15       fying education loan borrower; and

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

21          “(e) STANDARDIZED REPORTING CODES.—A con-  
22       sumer reporting agency shall develop standardized report-  
23       ing codes for use by education loan holders to identify and  
24       report a qualifying education loan borrower’s status of a  
25       request to remove any adverse information relating to any

1 education loan with respect to which such consumer is a  
 2 qualifying education loan borrower. A consumer report in  
 3 which a person furnishes such codes shall be deemed to  
 4 comply with the requirements for accuracy and complete-  
 5 ness required under sections 623(a)(1) and 630. Such  
 6 codes shall not appear on any report provided to a third  
 7 party, and shall be removed from the consumer's credit  
 8 report upon the successful restoration of the consumer's  
 9 credit under this section.

10 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-  
 11 poses of this section, the term ‘defraudment claim’ means  
 12 a claim made with respect to a consumer who is a bor-  
 13 rower of an education loan with respect to a proprietary  
 14 educational institution or career education program in  
 15 which the consumer alleges that—

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

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

21 “(i) as defined by State law of the  
 22 State in which the proprietary educational  
 23 institution or career education program is  
 24 headquartered or maintains or maintained  
 25 significant operations; or

1 “(ii) under Federal law;

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

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

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

22 (b) TABLE OF CONTENTS AMENDMENT.—The table  
23 of contents of the Fair Credit Reporting Act is amended  
24 by inserting after the item relating to section 605D, as  
25 added by section 104 of this Act, the following new item:

“605E. Education loan credit restoration for defrauded student borrowers who attend certain proprietary educational institution or career education programs.”.

1 **SEC. 106. ESTABLISHES RIGHT FOR VICTIMS OF ECONOMIC**  
 2 **ABUSE TO HAVE ADVERSE INFORMATION RE-**  
 3 **MOVED FROM THEIR CONSUMER REPORTS.**

4 (a) IN GENERAL.—The Fair Credit Reporting Act  
 5 (15 U.S.C. 1681 et seq.), as amended by section 105, is  
 6 further amended by inserting after section 605E the fol-  
 7 lowing:

8 **“§ 605F. Adverse information in cases of economic**  
 9 **abuse**

10 “(a) IN GENERAL.—A consumer reporting agency  
 11 may not furnish a consumer report containing any adverse  
 12 item of information about a consumer that resulted from  
 13 economic abuse if the consumer has provided documenta-  
 14 tion of economic abuse to the consumer reporting agency.

15 “(b) RULEMAKING.—

16 “(1) IN GENERAL.—Not later than 180 days  
 17 after the date of the enactment of this section, the  
 18 Director shall issue rules to implement this section.

19 “(2) CONTENTS.—Any rule issued pursuant to  
 20 paragraph (1) shall establish a method by which  
 21 consumers shall submit documentation of economic  
 22 abuse to consumer reporting agencies.

23 “(c) DEFINITIONS.—In this section:

1           “(1) DOCUMENTATION OF ECONOMIC ABUSE.—

2           The term ‘documentation of economic abuse’  
3           means—

4                   “(A) documentation of—

5                           “(i) a determination by a Federal or  
6                           State Government entity that a consumer  
7                           is a victim of domestic violence, dating vio-  
8                           lence, abuse in later life, or child abuse  
9                           and neglect;

10                           “(ii) a determination by a court of  
11                           competent jurisdiction that a consumer is  
12                           a victim of domestic violence, dating vio-  
13                           lence, abuse in later life, or child abuse  
14                           and neglect;

15                           “(iii) written verification from a quali-  
16                           fied third party to whom the consumer re-  
17                           ported economic abuse; or

18                           “(iv) any other documentation the  
19                           Bureau may prescribe; and

20                   “(B) documentation that identifies items  
21                   of adverse information that should not be fur-  
22                   nished by a consumer reporting agency because  
23                   the items resulted from the economic abuse of  
24                   which such consumer is a victim.

1           “(2) ECONOMIC ABUSE.—The term ‘economic  
2       abuse’ has the meaning given ‘economic abuse’ (as  
3       defined in 40002 of the Violence Against Women  
4       Act of 1994 (34 U.S.C. 12291(a)(13))), except such  
5       term is not limited to the context of domestic vio-  
6       lence, dating violence, and abuse in later life.

7           “(3) QUALIFIED THIRD PARTY.—The term  
8       ‘qualified third party’ means—

9           “(A) a law enforcement officer;

10          “(B) a person employed by or working on  
11       behalf of a government agency or nonprofit or-  
12       ganization that provides services to victims of  
13       domestic violence, child abuse or neglect, elder  
14       abuse, economic abuse, or abuse in later life;

15          “(C) a member of the clergy of a church,  
16       religious society, or denomination;

17          “(D) a physician, psychiatrist, psycholo-  
18       gist, social worker, registered nurse, therapist,  
19       or clinical professional counselor licensed to  
20       practice in any State; or

21          “(E) any other person as determined by  
22       the Director of the Bureau.

23          “(4) OTHER DEFINITIONS.—The terms ‘abuse  
24       in later life’, ‘child abuse and neglect’, ‘dating vio-  
25       lence’, ‘domestic abuse’, and ‘elder abuse’—

1           “(A) have the meanings given, respectively,  
 2           in section 40002 of the Violence Against  
 3           Women Act of 1994 (34 U.S.C. 12291); or

4           “(B) if such a term, as defined by a State,  
 5           affords greater protection to an individual than  
 6           the protection provided under this section, have  
 7           the meanings given by the relevant State.”.

8           (b) TABLE OF CONTENTS AMENDMENT.—The table  
 9           of contents of the Fair Credit Reporting Act is amended  
 10          by inserting after the item relating to section 605E, as  
 11          added by section 105 of this Act, the following new item:

          “605F. Adverse information in cases of economic abuse.”.

12          (c) EFFECTIVE DATE.—The amendments made by  
 13          this section shall apply on the date that is 30 days after  
 14          the date on which the Director of the Bureau of Consumer  
 15          Financial Protection issues a rule pursuant to section  
 16          605F(b) of the Fair Credit Reporting Act, as added by  
 17          this section.

18       **SEC. 107. PROHIBITS TREATMENT OF CREDIT RESTORA-**  
 19                               **TION OR REHABILITATION AS ADVERSE IN-**  
 20                               **FORMATION.**

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

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

1 **“§ 630. Prohibition of certain factors related to fed-**  
2 **eral credit restoration or rehabilitation**

3 “(a) RESTRICTION ON CREDIT SCORING MODELS.—

4 A credit scoring model may not—

5 “(1) take into consideration, in a manner ad-  
6 verse to a consumer’s credit score, any information  
7 in a consumer report concerning the consumer’s par-  
8 ticipation in credit restoration or rehabilitation  
9 under section 605D, 605E, or 605F; or

10 “(2) treat negatively, in a manner adverse to a  
11 consumer’s credit score, the absence of payment his-  
12 tory data for an existing account, whether the ac-  
13 count is open or closed, where the absence of such  
14 information is the result of a consumer’s participa-  
15 tion in credit restoration or rehabilitation under sec-  
16 tion 605D, 605E, or 605F.

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

20 “(1) take into consideration, in a manner ad-  
21 verse to a consumer, any information in a consumer  
22 report concerning the consumer’s participation in  
23 credit restoration or rehabilitation under section  
24 605D, 605E, or 605F; or

25 “(2) treat negatively the absence of payment  
26 history data for an existing account, whether the ac-



1 count is open or closed, where the absence of such  
 2 information is the result of a consumer’s participa-  
 3 tion in credit restoration or rehabilitation under sec-  
 4 tion 605D, 605E, or 605F.

5 “(c) PROHIBITION RELATED TO ADVERSE ACTIONS  
 6 AND RISK-BASED PRICING DECISIONS.—No person shall  
 7 use information related to a consumer’s participation in  
 8 credit restoration or rehabilitation under section 605D,  
 9 605E, or 605F in connection with any determination of—

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

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

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

16 (2) in the table of contents for such Act, by  
 17 adding at the end the following new item:

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

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

8 **SEC. 201. MEDICAL DEBT DEFINITION.**

9 Section 603 of the Fair Credit Reporting Act (15  
10 U.S.C. 1681a) is amended by adding at the end the fol-  
11 lowing:

12 “(bb) MEDICAL DEBT.—The term ‘medical debt’—

13 “(1) means an obligation or alleged obligation  
14 of a consumer to pay any amount related to the re-  
15 ceipt of health care services, products, or devices;  
16 and

17 “(2) does not include debt charged to a credit  
18 card or other extension of credit unless the credit  
19 card or extension of credit is offered specifically for  
20 the payment of health care services, products, or de-  
21 vices provided to a person.”.

22 **SEC. 202. IDENTITY THEFT DEFINITION.**

23 Section 603(q)(3) of the Fair Credit Reporting Act  
24 (15 U.S.C. 1681a(q)(3)) is amended to read as follows:

25 “(3) IDENTITY THEFT.—

1           “(A) IN GENERAL.—The term ‘identity  
2           theft’ means a fraud committed using the iden-  
3           tifying information of another person without  
4           the effective consent of that person, subject to  
5           such further definition as the Director of the  
6           Bureau may prescribe, by regulation.

7           “(B) EFFECTIVE CONSENT.—Effective  
8           consent has not been provided for purposes of  
9           subparagraph (A) if consent is—

10                   “(i) induced by force, threat, fraud, or  
11                   coercion; or

12                   “(ii) given by an individual unable to  
13                   contract by reason of incapacity or youth,  
14                   unless consent is given by a person legally  
15                   authorized to act on behalf of the indi-  
16                   vidual and such action is not contrary to  
17                   the best interests of the individual as de-  
18                   termined by a court of competent jurisdic-  
19                   tion.”.

20 **SEC. 203. IDENTITY THEFT REPORT DEFINITION.**

21           Section 603(q)(4) of the Fair Credit Reporting Act  
22 (15 U.S.C. 1681a(q)(4)) is amended to read as follows:

23           “(4) IDENTITY THEFT REPORT.—The term  
24           ‘identity theft report’ has the meaning given that

1 term by rule of the Bureau, and means, at a min-  
2 imum, a report—

3 “(A) that is a standardized affidavit that  
4 alleges that a consumer has been a victim of  
5 identity theft, fraud, or a related crime, or has  
6 been harmed by the unauthorized disclosure of  
7 the consumer’s financial or personally identifi-  
8 able information, that was developed and made  
9 available by the Bureau; or

10 “(B)(i) that alleges an identity theft,  
11 fraud, or a related crime, or alleges harm from  
12 the unauthorized disclosure of the consumer’s  
13 financial or personally identifiable information;

14 “(ii) that is a copy of an official, valid  
15 report filed by a consumer with an appro-  
16 priate Federal, State, or local law enforce-  
17 ment agency, including the United States  
18 Postal Inspection Service, or such other  
19 government agency deemed appropriate by  
20 the Bureau; and

21 “(iii) the filing of which subjects the  
22 person filing the report to criminal pen-  
23 alties relating to the filing of false informa-  
24 tion if, in fact, the information in the re-  
25 port is false.”.

1 **SEC. 204. AMENDMENT TO PROTECTION FOR FILES AND**  
2 **CREDIT RECORDS OF PROTECTED CON-**  
3 **SUMERS.**

4 (a) AMENDMENT TO DEFINITION OF FILE.—Section  
5 603(g) of the Fair Credit Reporting Act (15 U.S.C.  
6 1681a(g)) is amended by inserting “, except that such  
7 term excludes a record created pursuant to section  
8 605A(j)” after “stored”.

9 (b) AMENDMENT TO PROTECTION FOR FILES AND  
10 CREDIT RECORDS.—Section 605A(j) of the Fair Credit  
11 Reporting Act (15 U.S.C. 1681c–1(j)) is amended—

12 (1) in paragraph (1)—

13 (A) in subparagraph (B)(ii), by striking  
14 “an incapacitated person or a protected person”  
15 and inserting “a person”; and

16 (B) by amending subparagraph (E) to read  
17 as follows:

18 “(E) The term ‘security freeze’—

19 “(i) has the meaning given in sub-  
20 section (i)(1)(C); and

21 “(ii) with respect to a protected con-  
22 sumer for whom the consumer reporting  
23 agency does not have a file, means a  
24 record that is subject to a security freeze  
25 that a consumer reporting agency is pro-  
26 hibited from disclosing to any person re-

1           requesting the consumer report for the pur-  
 2           pose of opening a new account involving  
 3           the extension of credit.”; and

4           (2) in paragraph (4)(D), by striking “a pro-  
 5           tected consumer or a protected consumer’s rep-  
 6           resentative under subparagraph (A)(i)” and insert-  
 7           ing “a protected consumer described under subpara-  
 8           graph (A)(ii) or a protected consumer’s representa-  
 9           tive”.

10 **SEC. 205. ENHANCES FRAUD ALERT PROTECTIONS.**

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

13           (1) in subsection (a)—

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

16           (B) in paragraph (1)—

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

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

24           (iii) in subparagraph (A), by striking  
 25           “and” at the end;

1 (iv) in subparagraph (B)—

2 (I) by inserting “1-year” before  
3 “fraud alert”; and

4 (II) by striking the period at the  
5 end and inserting “; and”; and

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

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

15 (C) in paragraph (2)—

16 (i) by inserting “1-year” before  
17 “fraud alert”; and

18 (ii) in subparagraph (A), by inserting  
19 “and credit score” after “file”; and

20 (iii) in subparagraph (B), by striking  
21 “any request described in subparagraph  
22 (A)” and inserting “the consumer report-  
23 ing agency includes the 1-year fraud alert  
24 in the file of a consumer”;

25 (2) in subsection (b)—

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

3 (B) in paragraph (1)—

4 (i) in subparagraph (B)—

5 (I) by striking “5-year period be-  
6 ginning on the date of such request”  
7 and inserting “such 7-year period”;  
8 and

9 (II) by striking “and” at the end;

10 (ii) in subparagraph (C)—

11 (I) by striking “extended” and  
12 inserting “7-year”; and

13 (II) by striking the period at the  
14 end and inserting “; and”; and

15 (iii) by adding at the end the fol-  
16 lowing new subparagraph:

17 “(D) upon the expiration of such 7-year  
18 period or a subsequent 7-year period, and in re-  
19 sponse to a direct request by the consumer or  
20 such representative, continue the fraud alert for  
21 a period of 7 additional years if the consumer  
22 or such representative submits an updated iden-  
23 tity theft report.”; and

24 (C) in paragraph (2), by amending sub-  
25 paragraph (A) to read as follows:



1           “(A) disclose to the consumer that the con-  
2           sumer may request a free copy of the file and  
3           credit score of the consumer pursuant to section  
4           612(d) during each 12-month period beginning  
5           on the date on which the 7-year fraud alert was  
6           included in the file and ending on the date of  
7           the last day that the 7-year fraud alert applies  
8           to the consumer’s file; and”;

9           (3) in subsection (c)—

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

14           (B) by striking “Upon the direct request”  
15           and inserting:

16           “(1) IN GENERAL.—Upon the direct request”;

17           and

18           (C) by adding at the end the following new  
19           paragraph:

20           “(2) ACCESS TO FREE REPORTS AND CREDIT  
21           SCORES.—If a consumer reporting agency includes  
22           an active duty alert in the file of an active duty mili-  
23           tary consumer, the consumer reporting agency  
24           shall—

1           “(A) disclose to the active duty military  
2           consumer that the active duty military con-  
3           sumer may request a free copy of the file and  
4           credit score of the active duty military con-  
5           sumer pursuant to section 612(d), during each  
6           12-month period beginning on the date that the  
7           activity duty military alert is requested and  
8           ending on the date of the last day the active  
9           duty alert applies to the file of the active duty  
10          military consumer; and

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

16          (4) by amending subsection (d) to read as fol-  
17          lows:

18          “(d) PROCEDURES.—Each consumer reporting agen-  
19          cy described in section 603(p) shall include on the  
20          webpage required under subsection (i) policies and proce-  
21          dures to comply with this section, including policies and  
22          procedures—

23                 “(1) that inform consumers of the availability  
24                 of 1-year fraud alerts, 7-year fraud alerts, active  
25                 duty alerts, and security freezes (as applicable);

1           “(2) that allow consumers to request 1-year  
2       fraud alerts, 7-year fraud alerts, and active duty  
3       alerts (as applicable) and to place, temporarily lift,  
4       or fully remove a security freeze in a simple and  
5       easy manner; and

6           “(3) for asserting in good faith a suspicion that  
7       the consumer has been or is about to become a vic-  
8       tim of identity theft, fraud, or a related crime, or  
9       harmed by the unauthorized disclosure of the con-  
10      sumer’s financial or personally identifiable informa-  
11      tion, for a consumer seeking a 1-year fraud alert or  
12      security freeze.”;

13           (5) in subsection (e)—

14                (A) by inserting “1-year or 7-year” before  
15                “fraud alert”; and

16                (B) by amending paragraph (3) to read as  
17                follows:

18           “(3) subparagraphs (A) and (B) of subsection  
19       (c)(1), in the case of a referral under subsection  
20       (c)(1)(C).”;

21           (6) in subsection (f), by striking “or active duty  
22       alert” and inserting “, active duty alert, or security  
23       freeze (as applicable)”;

24           (7) in subsection (g)—

1 (A) by inserting “or has been harmed by  
2 the unauthorized disclosure of the consumer’s  
3 financial or personally identifiable information,  
4 or to inform such agency of the consumer’s par-  
5 ticipation in credit restoration or rehabilitation  
6 under section 605D, 605E, or 605F,” after  
7 “identity theft,”; and

8 (B) by inserting “or security freezes” after  
9 “request alerts”;

10 (8) in subsection (h)—

11 (A) in paragraph (1)—

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

14 (ii) by striking “initial” and inserting  
15 “1-year” each place such term appears;

16 and

17 (B) in paragraph (2)—

18 (i) in the paragraph heading, by strik-  
19 ing “EXTENDED” and inserting “7-YEAR”;

20 and

21 (ii) by striking “extended” and insert-  
22 ing “7-year” each place such term appears;

23 and

24 (9) in subsection (i)(4)—

1 (A) by striking subparagraphs (E) and (I);  
2 and  
3 (B) by redesignating subparagraphs (F),  
4 (G), (H), and (J) as subparagraphs (E), (F),  
5 (G), and (H), respectively.

6 **SEC. 206. AMENDMENT TO SECURITY FREEZES FOR CON-**  
7 **SUMER REPORTS.**

8 (a) IN GENERAL.—Section 605A(i) of the Fair Credit  
9 Reporting Act (15 U.S.C. 1681c–1(i)) is amended—

10 (1) by amending the subsection heading to read  
11 as follows “SECURITY FREEZES FOR CONSUMER RE-  
12 PORTS”;

13 (2) in paragraph (3)(E), by striking “Upon re-  
14 ceiving” and all that follows through “subparagraph  
15 (C),” and inserting “Upon receiving a direct request  
16 from a consumer for a temporary removal of a secu-  
17 rity freeze, a consumer reporting agency shall”; and

18 (3) by adding at the end the following:

19 “(7) RELATION TO STATE LAW.—This sub-  
20 section does not modify or supersede the laws of any  
21 State relating to security freezes or other similar ac-  
22 tions, except to the extent those laws are incon-  
23 sistent with any provision of this title, and then only  
24 to the extent of the inconsistency. For purposes of  
25 this subsection, a term or provision of a State law

1 is not inconsistent with the provisions of this sub-  
2 section if the term or provision affords greater pro-  
3 tection to the consumer than the protection provided  
4 under this subsection as determined by the Bu-  
5 reau.”.

6 (b) AMENDMENT TO WEB PAGE REQUIREMENTS.—  
7 Section 605A(i)(6)(A) of the Fair Credit Reporting Act  
8 (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

9 (1) in clause (ii), by striking “initial fraud  
10 alert” and inserting “1-year fraud alert”;

11 (2) in clause (iii), by striking “extended fraud  
12 alert” and inserting “7-year fraud alert”; and

13 (3) in clause (iv), by striking “fraud”.

14 (c) AMENDMENT TO EXCEPTIONS FOR CERTAIN  
15 PERSONS.—Section 605A(i)(4)(A) of the Fair Credit Re-  
16 porting Act (15 U.S.C. 1681c–1(i)(4)(A)) is amended to  
17 read as follows:

18 “(A) A person, or the person’s subsidiary,  
19 affiliate, agent, subcontractor, or assignee with  
20 whom the consumer has, or prior to assignment  
21 had, an authorized account, contract, or debtor-  
22 creditor relationship for the purposes of review-  
23 ing the active account or collecting the financial  
24 obligation owed on the account, contract, or  
25 debt.”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 subsection (a) shall take effect on the date of the enact-  
3 ment of this Act.

4 **SEC. 207. CLARIFICATION OF INFORMATION TO BE IN-**  
5 **CLUDED WITH AGENCY DISCLOSURES.**

6 Section 609(c)(2) of the Fair Credit Reporting Act  
7 (15 U.S.C. 1681g(c)(2)) is amended—

8 (1) in subparagraph (B)—

9 (A) by striking “consumer reporting agen-  
10 cy described in section 603(p)” and inserting  
11 “consumer reporting agency described in sub-  
12 section (p) or (x) of section 603”;

13 (B) by striking “the agency” and inserting  
14 “such an agency”; and

15 (C) by inserting “and an Internet website  
16 address” after “hours”; and

17 (2) in subparagraph (E), by striking “outdated  
18 under section 605 or” and inserting “outdated, re-  
19 quired to be removed, or”.

20 **SEC. 208. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**  
21 **TIMS.**

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

24 (1) in paragraph (1)—

1 (A) by striking “resulting from identity  
2 theft”;

3 (B) by striking “claim of identity theft”  
4 and inserting “claim of fraudulent activity”;  
5 and

6 (C) by striking “any transaction alleged to  
7 be a result of identity theft” and inserting “any  
8 fraudulent transaction”;

9 (2) in paragraph (2)(B)—

10 (A) by striking “identity theft, at the elec-  
11 tion of the business entity” and inserting  
12 “fraudulent activity”;

13 (B) by amending clause (i) to read as fol-  
14 lows:

15 “(i) a copy of an identity theft report;  
16 or”; and

17 (C) by amending clause (ii) to read as fol-  
18 lows:

19 “(ii) an affidavit of fact that is ac-  
20 ceptable to the business entity for that  
21 purpose.”;

22 (3) in paragraph (3)(C), by striking “identity  
23 theft” and inserting “fraudulent activity”;



1           (4) by striking paragraph (8) and redesignating  
2           paragraphs (9) through (13) as paragraphs (8)  
3           through (12), respectively; and

4           (5) in paragraph (10) (as so redesignated), by  
5           striking “or a similar crime” and inserting “, fraud,  
6           or a related crime”.

7   **SEC. 209. REQUIRES BUREAU TO SET PROCEDURES FOR**  
8                   **REPORTING IDENTITY THEFT, FRAUD, AND**  
9                   **OTHER RELATED CRIME.**

10          Section 621(f)(2) of the Fair Credit Reporting Act  
11   (15 U.S.C. 1681s(f)(2)) is amended—

12           (1) in the paragraph heading, by striking  
13           “MODEL FORM” and inserting “STANDARDIZED AF-  
14           FIDAVIT”;

15           (2) by striking “The Commission” and insert-  
16           ing “The Bureau”;

17           (3) by striking “model form” and inserting  
18           “standardized affidavit”;

19           (4) by inserting after “identity theft” the fol-  
20           lowing: “, fraud, or a related crime, or otherwise are  
21           harmed by the unauthorized disclosure of the con-  
22           sumer’s financial or personally identifiable informa-  
23           tion,”; and

24           (5) by striking “fraud.” and inserting “identity  
25           theft, fraud, or other related crime. Such standard-

1        ized affidavit and procedures shall not include a re-  
 2        quirement that a consumer obtain a police report.”.

3    **SEC. 210. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**  
 4                            **TORING AND IDENTITY THEFT PROTECTION**  
 5                            **SERVICES FOR CERTAIN CONSUMERS.**

6        (a) ENFORCEMENT OF CREDIT MONITORING FOR  
 7    SERVICEMEMBERS.—

8                    (1) IN GENERAL.—Section 605A(k) of the Fair  
 9        Credit Reporting Act (15 U.S.C. 1681c–1(k)) is  
 10       amended by striking paragraph (4).

11                   (2) EFFECTIVE DATE.—This subsection and the  
 12       amendments made by this subsection shall take ef-  
 13       fect on the date of the enactment of this Act.

14        (b) FREE CREDIT MONITORING AND IDENTITY  
 15    THEFT PROTECTION SERVICES FOR CERTAIN CON-  
 16    SUMERS.—Section 605A(k) of the Fair Credit Reporting  
 17    Act (15 U.S.C. 1681c–1(k)), is amended to read as fol-  
 18    lows:

19        “(k) CREDIT MONITORING AND IDENTITY THEFT  
 20    PROTECTION SERVICES.—

21                   “(1) IN GENERAL.—Upon the direct request of  
 22       a consumer, a consumer reporting agency described  
 23       in section 603(p) that maintains a file on the con-  
 24       sumer and has received appropriate proof of the  
 25       identity of the requester (as described in section

1 1022.123 of title 12, Code of Federal Regulations)  
2 shall provide the consumer with credit monitoring  
3 and identity theft protection services not later than  
4 1 business day after receiving such request sent by  
5 postal mail, toll-free telephone, or secure electronic  
6 means as established by the agency.

7 “(2) FEES.—

8 “(A) CLASSES OF CONSUMERS.—The Bu-  
9 reau may establish classes of consumers eligible  
10 to receive credit monitoring and identity theft  
11 protection services free of charge.

12 “(B) NO FEE.—A consumer reporting  
13 agency described in section 603(p) may not  
14 charge a consumer a fee to receive credit moni-  
15 toring and identity theft protection services if  
16 the consumer or a representative of the con-  
17 sumer—

18 “(i) asserts in good faith a suspicion  
19 that the consumer has been or is about to  
20 become a victim of identity theft, fraud, or  
21 a related crime, or harmed by the unau-  
22 thorized disclosure of the consumer’s fi-  
23 nancial or personally identifiable informa-  
24 tion;

1 “(ii) is unemployed and intends to  
2 apply for employment in the 60-day period  
3 beginning on the date on which the request  
4 is made;

5 “(iii) is a recipient of public welfare  
6 assistance;

7 “(iv) is an active duty military con-  
8 sumer or a member of the National Guard  
9 (as defined in section 101(c) of title 10,  
10 United States Code);

11 “(v) is 65 years of age or older; or

12 “(vi) is a member of a class estab-  
13 lished by the Bureau under subparagraph  
14 (A).

15 “(3) BUREAU RULEMAKING.—The Bureau shall  
16 issue regulations—

17 “(A) to define the scope of credit moni-  
18 toring and identity theft protection services re-  
19 quired under this subsection; and

20 “(B) to set a fair and reasonable fee that  
21 a consumer reporting agency may charge a con-  
22 sumer (other than a consumer described under  
23 paragraph (2)(B)) for such credit monitoring  
24 and identity theft protection services.

1           “(4) RELATION TO STATE LAW.—This sub-  
 2           section does not modify or supersede of the laws of  
 3           any State relating to credit monitoring and identity  
 4           theft protection services or other similar actions, ex-  
 5           cept to the extent those laws are inconsistent with  
 6           any provision of this title, and then only to the ex-  
 7           tent of the inconsistency. For purposes of this sub-  
 8           section, a term or provision of a State law is not in-  
 9           consistent with the provisions of this subsection if  
 10          the term or provision affords greater protection to  
 11          the consumer than the protection provided under  
 12          this subsection as determined by the Bureau.”.

13 **SEC. 211. ENSURES REMOVAL OF INQUIRIES RESULTING**  
 14                   **FROM IDENTITY THEFT, FRAUD, OR OTHER**  
 15                   **RELATED CRIME FROM CONSUMER REPORTS.**

16          Section 605(a) of the Fair Credit Reporting Act (15  
 17          U.S.C. 1681c(a)), as amended by section 103, is further  
 18          amended by adding at the end the following:

19           “(14) Information about inquiries made for a  
 20           credit report based on requests that the consumer  
 21           reporting agency verifies were initiated as the result  
 22           of identity theft, fraud, or other related crime.”.

1       **TITLE III—MISCELLANEOUS**

2       **SEC. 301. DEFINITIONS.**

3       Section 603 of the Fair Credit Reporting Act (15  
4       U.S.C. 1681a) is further amended by adding at the end  
5       the following:

6       “(cc) DEFINITIONS RELATED TO DAYS.—

7               “(1) CALENDAR DAY; DAY.—The term ‘calendar  
8       day’ or ‘day’ means a calendar day, excluding any  
9       federally recognized holiday.

10              “(2) BUSINESS DAY.—The term ‘business day’  
11       means a day between and including Monday to Fri-  
12       day, and excluding any federally recognized holi-  
13       day.”.

14       **SEC. 302. TECHNICAL CORRECTION RELATED TO RISK-**  
15               **BASED PRICING NOTICES.**

16       Section 615(h)(8) of the Fair Credit Reporting Act  
17       (15 U.S.C. 1681m(h)(8)) is amended—

18              (1) in subparagraph (A), by striking “this sec-  
19       tion” and inserting “this subsection”; and

20              (2) in subparagraph (B), by striking “This sec-  
21       tion” and inserting “This subsection”.

1 **SEC. 303. FCRA FINDINGS AND PURPOSE; VOIDS CERTAIN**  
2 **CONTRACTS NOT IN THE PUBLIC INTEREST.**

3 (a) FCRA FINDINGS AND PURPOSE.—Section 602 of  
4 the Fair Credit Reporting Act (15 U.S.C. 1681) is amend-  
5 ed—

6 (1) in subsection (a)—

7 (A) by amending paragraph (1) to read as  
8 follows:

9 “(1) Many financial and non-financial decisions  
10 affecting consumers’ lives depend upon fair, com-  
11 plete, and accurate credit reporting. Inaccurate and  
12 incomplete credit reports directly impair the effi-  
13 ciency of the financial system and undermine the in-  
14 tegrity of using credit reports in other cir-  
15 cumstances, and unfair credit reporting and credit  
16 scoring methods undermine the public confidence  
17 which is essential to the continued functioning of the  
18 financial services system and the provision of many  
19 other consumer products and services.”; and

20 (B) in paragraph (4), by inserting after  
21 “agencies” the following: “, furnishers, and  
22 credit scoring developers”; and

23 (2) in subsection (b)—

24 (A) by striking “It is the purpose of this  
25 title to require” and inserting the following:

26 “The purpose of this title is the following:

1 “(1) To require”; and

2 (B) by adding at the end the following:

3 “(2) To prohibit any practices and procedures  
4 with respect to credit reports and credit scores that  
5 are not in the public interest.”.

6 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE  
7 PUBLIC INTEREST.—The Fair Credit Reporting Act (15  
8 U.S.C. 1681 et seq.), as amended by section 107, is fur-  
9 ther amended—

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

12 **“§ 631. Voiding of certain contracts not in the public**  
13 **interest**

14 “(a) IN GENERAL.—Any provision contained in a  
15 contract that requires a person to not follow a provision  
16 of this title, that is against the public interest, or that  
17 otherwise circumvents the purposes of this title shall be  
18 null and void.

19 “(b) RULE OF CONSTRUCTION.—Nothing in sub-  
20 section (a) shall be construed as affecting other provisions  
21 of a contract that are not described under subsection  
22 (a).”; and

23 (2) in the table of contents for such Act, by  
24 adding at the end the following new item:

“631. Voiding of certain contracts not in the public interest.”.

