

JANUARY 16, 2020

**RULES COMMITTEE PRINT 116–47**  
**TEXT OF H.R. 3621, COMPREHENSIVE CREDIT**  
**ACT OF 2020**

[Showing the text of H.R. 3621, H.R. 3614, H.R. 3618, H.R. 3622, H.R. 3629, and H.R. 3642, as reported by the Committee on Financial Services, with modifications.]

1 **SECTION 1. SHORT TITLE.**

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

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

7       The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Findings.
- Sec. 4. Effective date.
- Sec. 5. Rulemaking.
- Sec. 6. Discretionary surplus fund.

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

- Sec. 101. Dispute procedures and disclosures relating to reinvestigations.
- Sec. 102. Consumer awareness of dispute rights.
- Sec. 103. Maintenance of records by furnishers.
- Sec. 104. Duties of furnishers relating to dispute procedures, notices, and disclosures.
- Sec. 105. Right to appeal disputes relating to reinvestigations and investigations.
- Sec. 106. Revised consumer reports.
- Sec. 107. Indication of dispute by consumers and use of disputed information.
- Sec. 108. Accuracy and completeness report duties for consumer reporting agencies and furnishers.
- Sec. 109. Inclusion of public record data sources in consumer reports.
- Sec. 110. Injunctive relief for victims.

TITLE II—FREE CREDIT SCORES FOR CONSUMERS

- Sec. 201. Definitions.
- Sec. 202. Consumer information on calculation of scores.
- Sec. 203. Disclosures relating to credit scores and educational credit scores.
- Sec. 204. Free credit score disclosures and consumer reports.
- Sec. 205. Provision of consumer reports and credit scores by private educational lenders.
- Sec. 206. Provision of consumer reports and credit scores by motor vehicle lenders or indirect auto lenders.
- Sec. 207. Provision of consumer reports and credit scores by residential mortgage lenders.

TITLE III—STUDENT BORROWER CREDIT IMPROVEMENT ACT

- Sec. 301. Removal of adverse information for certain private education loan borrowers.
- Sec. 302. Private education loan definitions.

TITLE IV—CREDIT RESTORATION FOR VICTIMS OF PREDATORY ACTIVITIES AND UNFAIR CONSUMER REPORTING PRACTICES

- Sec. 401. Adverse credit information.
- Sec. 402. Expedited removal of fully paid or settled debt from consumer reports.
- Sec. 403. Medical debt collections.
- Sec. 404. Credit restoration for victims of predatory mortgage lending and servicing.
- Sec. 405. Credit restoration for certain private education loans borrowers.
- Sec. 406. Financial abuse prevention.
- Sec. 407. Prohibition of certain factors related to Federal credit restoration or rehabilitation.

TITLE V—CLARITY IN CREDIT SCORE FORMATION

- Sec. 501. Consumer Bureau study and report to Congress on the impact of non-traditional data.
- Sec. 502. Consumer Bureau oversight of credit scoring models.

TITLE VI—RESTRICTIONS ON CREDIT CHECKS FOR EMPLOYMENT DECISIONS

- Sec. 601. Prohibition on the use of credit information for most employment decisions.

TITLE VII—PROHIBITION ON MISLEADING AND UNFAIR CONSUMER REPORTING PRACTICES

- Sec. 701. Prohibition on automatic renewals for promotional consumer reporting and credit scoring products and services.
- Sec. 702. Prohibition on misleading and deceptive marketing related to the provision of consumer reporting and credit scoring products and services.
- Sec. 703. Prohibition on excessive direct-to-consumer sales.
- Sec. 704. Fair access to consumer reporting and credit scoring disclosures for nonnative English speakers and the visually and hearing impaired.
- Sec. 705. Comparison shopping for loans without harm to credit standing.

Sec. 706. Nationwide consumer reporting agencies registry.

TITLE VIII—PROTECTIONS AGAINST IDENTITY THEFT, FRAUD,  
OR A RELATED CRIME

Sec. 801. Identity theft report definition.

Sec. 802. Amendment to protection for files and credit records of protected consumers.

Sec. 803. Enhancement to fraud alert protections.

Sec. 804. Amendment to security freezes for consumer reports.

Sec. 805. Clarification of information to be included with agency disclosures.

Sec. 806. Provides access to fraud records for victims.

Sec. 807. Required Bureau to set procedures for reporting identity theft, fraud, and other related crime.

Sec. 808. Establishes the right to free credit monitoring and identity theft protection services for certain consumers.

Sec. 809. Ensures removal of inquiries resulting from identity theft, fraud, or other related crime from consumer reports.

TITLE IX—MISCELLANEOUS

Sec. 901. Definitions.

Sec. 902. Technical correction related to risk-based pricing notices.

Sec. 903. FCRA findings and purpose; voids certain contracts not in the public interest.

1 **SEC. 3. FINDINGS.**

2 Congress finds the following:

3 (1) GENERAL FINDINGS ON CREDIT REPORT-  
4 ING.—

5 (A) Consumer reporting agencies  
6 (“CRAs”) are companies that collect, compile,  
7 and provide information about consumers in the  
8 form of consumer reports for certain permis-  
9 sible statutory purposes under the Fair Credit  
10 Reporting Act (15 U.S.C. 1681 et seq.)  
11 (“FCRA”). The three largest CRAs in this  
12 country are Equifax, TransUnion, and  
13 Experian. These CRAs are referred to as na-  
14 tionwide CRAs and the reports that they pre-

1           pare are commonly referred to as credit reports.  
2           Furnishers, such as creditors, lenders, and debt  
3           collection agencies, voluntarily submit informa-  
4           tion to CRAs about their accounts such as the  
5           total amount for each loan or credit limit for  
6           each credit card and the consumer's payment  
7           history on these products. Reports also include  
8           identifying information about a consumer, such  
9           as their birthdate, previous mailing addresses,  
10          and current and previous employers.

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

23           (C) The 10 largest institutions furnishing  
24          credit information to each of the nationwide

1 CRAs account for more than half of all ac-  
2 counts reflected in consumers' credit files.

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

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

23 (F) CRAs have a statutory obligation to  
24 verify independently the accuracy and complete-

1           ness of information included on the reports that  
2           they provide.

3           (G) The nationwide CRAs have failed to  
4           establish and follow reasonable procedures, as  
5           required by existing law, to establish the max-  
6           imum level of accuracy of information contained  
7           on consumer reports. Given the repeated fail-  
8           ures of these CRAs to comply with accuracy re-  
9           quirements on their own, legislation is intended  
10          to provide them with detailed guidance improv-  
11          ing the accuracy and completeness of informa-  
12          tion contained in consumer reports, including  
13          procedures, policies, and practices that these  
14          CRAs should already be following to ensure full  
15          compliance with their existing obligations.

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

1 (I) Current industry practices impose an  
2 unfair burden of proof on consumers trying to  
3 fix errors on their reports.

4 (J) Consumer reports containing inac-  
5 curate or incomplete credit information also un-  
6 dermine the ability of creditors and lenders to  
7 effectively and accurately underwrite and price  
8 credit.

9 (K) Recognizing that credit reporting af-  
10 fects the lives of almost all consumers in this  
11 country and that the consequences of errors on  
12 a consumer report can be catastrophic for a  
13 consumer, the Consumer Bureau began accept-  
14 ing consumer complaints about credit reporting  
15 in October 2012.

16 (L) As of early December 2019, the Con-  
17 sumer Bureau has handled approximately  
18 391,560 credit reporting complaints about the  
19 top three CRAs, making credit reporting con-  
20 sistent in the top third most-complained-about  
21 subject matter on which the Consumer Bureau  
22 accepts consumer complaints. Incorrect infor-  
23 mation in reports and frustrations about bur-  
24 densome and time-consuming process to dis-

1           puting items is are consistently top reported  
2           concerns from consumers.

3           (M) Other common types of credit report-  
4           ing complaints submitted to the Consumer Bu-  
5           reau related to the improper use of a report,  
6           trouble obtaining a report or credit score,  
7           CRAs' investigations, and credit monitoring or  
8           identity protection.

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

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



1           vide in order for the debt collector to complete  
2           the investigation of the disputed item.

3           (P) A February 2014 Consumer Bureau  
4           report titled “Credit Reporting Complaint  
5           Snapshot” found that consumers are confused  
6           about the extent to which the nationwide CRAs  
7           are required to provide them with validation  
8           and documentation of a debt that appears on  
9           their credit report.

10          (Q) As evidence that the current system  
11          lacks sufficient market incentives for CRAs to  
12          develop more robust procedures to increase the  
13          accuracy and completeness of information on  
14          credit reports, litigation discovery documented  
15          by the National Consumer Law Center  
16          (“NCLC”), as part of a February 2019 report  
17          titled “Automated Injustice Redux: Ten Years  
18          after a Key Report, Consumers Are Still Frustrated  
19          Trying to Fix Credit Reporting Errors”,  
20          showed that at least two of the three largest  
21          CRAs use quota systems to force employees to  
22          process disputes hastily and without the oppor-  
23          tunity for conducting meaningful investigations.  
24          At least one nationwide CRA only allowed dis-  
25          pute resolution staff five minutes to handle a

1 consumer's call. Furthermore, these CRAs were  
2 found to have awarded bonuses for meeting  
3 quotas and punished those who didn't meet pro-  
4 duction numbers with probation.

5 (R) Unlike most other business relation-  
6 ships, where consumers can register their satis-  
7 faction or unhappiness with a particular credit  
8 product or service simply by taking their busi-  
9 ness elsewhere, consumers have no say in  
10 whether their information is included in the  
11 CRAs databases and limited legal remedies to  
12 hold the CRAs accountable for inaccuracies or  
13 poor service.

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

1           (2) INCORRECT INFORMATION ON CONSUMER  
2       REPORTS.—

3           (A) Consumers are entitled to dispute er-  
4       rors on their consumer reports with either the  
5       CRA, who issued the report, or directly with  
6       furnishers, who supplied the account informa-  
7       tion to the CRA, and request that mistakes be  
8       deleted or removed. Consumers, who believe an  
9       investigation has not correctly resolved their  
10      dispute, however, have few options, other than  
11      requesting that a statement about the dispute  
12      be included with their future reports.

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

23          (C) In "Report to Congress Under Section  
24      319 of the Fair and Accurate Credit Trans-  
25      actions Act of 2003" released by the Federal

1 Government in December 2012, found that 26  
2 percent of survey participants identified at least  
3 one potentially material error on their consumer  
4 reports, and 13 percent experienced a change in  
5 their credit score once the error was fixed.

6 (D) Consumer Bureau examiners have  
7 identified repeated deficiencies with the nation-  
8 wide CRAs' information collection. In the fall  
9 2019 "Supervisory Highlights", the Consumer  
10 Bureau noted continued weaknesses with CRAs'  
11 methods and processes for assuring maximum  
12 possible accuracy in their reports. Examiners  
13 also found, with certain exceptions, no quality  
14 control policies and procedures in place to test  
15 consumer reports for accuracy.

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

1 (F) In the winter 2015 “Supervisory High-  
2 lights” released in March 2015, the Consumer  
3 Bureau reported that one or more nationwide  
4 CRAs failed to adequately fulfill their dispute-  
5 handling obligations, including by not for-  
6 warding to furnishers all relevant information  
7 found in letters and supporting documents sup-  
8 plied by consumers when they submitted dis-  
9 putes failing to notify consumers that they had  
10 completed investigations, and not providing con-  
11 sumers with the results of the CRAs’ reviews  
12 about their disputes.

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

1 (H) Consumers’ increasing frustration  
2 about the difficulties of trying to fix credit re-  
3 porting errors, evidenced through the volume of  
4 consumer complaints related to errors sub-  
5 mitted to the Consumer Bureau, are also  
6 echoed in another Federal Government study  
7 issued in January 2015. In the “Report to Con-  
8 gress under Section 319 for the Fair and Accu-  
9 rate Credit Transactions Act of 2003”, the  
10 study found that nearly 70 percent (84 people)  
11 of participants from a previous survey that had  
12 filed disputes with CRAs continued to believe  
13 that at least some of the disputed information  
14 remained inaccurate at the time of the follow-  
15 up survey. Despite these views, 50 percent (42  
16 people) of the survey participants decided to  
17 just give up trying to fix the errors, with only  
18 45 percent (38 people) of them planning to con-  
19 tinue to try to resolve their disputes.

20 (I) The consistently high volume of con-  
21 sumer complaints submitted to the Consumer  
22 Bureau about credit reporting errors, coupled  
23 with the largest CRAs’ repeated quality control  
24 weaknesses found by Consumer Bureau exam-  
25 iners, show that the nationwide CRAs have

1 failed to establish and follow reasonable proce-  
2 dures to assure maximum accuracy of informa-  
3 tion and to conduct independent investigations  
4 of consumers' disputes. These ongoing problems  
5 demonstrate the need for legislation to—

6 (i) enhance obligations on furnishers  
7 to substantiate information and require  
8 furnishers to keep records for the same  
9 amount of time that adverse information  
10 about these accounts may appear on a per-  
11 son's consumer report;

12 (ii) eliminate CRAs' discretion to de-  
13 termine the relevancy of materials provided  
14 by consumers to support their dispute  
15 claims by instead requiring them to pass  
16 all material onto furnishers and elimi-  
17 nating CRA's discretion to deem some dis-  
18 putes frivolous or irrelevant when a con-  
19 sumer resubmits a claim that they believe  
20 has been inadequately resolved;

21 (iii) enhance educational content on  
22 CRAs' websites to improve consumers' un-  
23 derstanding of the dispute process and to  
24 make it easier for all consumers to initiate  
25 claims, including by providing these disclo-

1           sures in other languages besides English;  
2           and

3                   (iv) create a new consumer right to  
4           appeal reviews by CRAs and furnishers of  
5           the initial disputes.

6           (3) INJUNCTIVE RELIEF.—

7                   (A) Despite the fact that the FCRA cur-  
8           rently provides implicit authority for injunctive  
9           relief, consumers have been prevented from ex-  
10          ercising this right against CRAs. Legislation  
11          explicitly clarifying this right is intended to un-  
12          derscore congressional intent that injunctive re-  
13          lief should be viewed as a remedy available to  
14          consumers.

15                   (B) Myriad findings by the courts, regu-  
16          lators, consumers, and consumer advocates  
17          make clear that CRAs have failed to establish  
18          adequate standards for the accuracy and com-  
19          pleteness of consumer reports, yet the nation-  
20          wide CRAs have demonstrated little willingness  
21          to voluntarily retool their policies and proce-  
22          dures to fix the problems.

23                   (C) Providing courts with explicit authority  
24          to issue injunctive relief, by telling the CRAs to  
25          remedy unlawful practices and procedures,



1 would further CRAs' mandate under the FCRA  
2 to assure the maximum possible accuracy and  
3 completeness of information contained on credit  
4 reports.

5 (D) Absent explicit authority to issue in-  
6 junctions, history suggests that the nationwide  
7 CRAs are likely to continue conducting business  
8 as usual in treating any monetary settlements  
9 with individual consumers and fines imposed by  
10 State attorneys general and Federal regulators,  
11 simply as the "cost of doing business".

12 (4) CREDIT SCORES.—

13 (A) While nationwide CRAs are required  
14 by law to supply consumers with a free copy of  
15 their credit report annually, they can charge  
16 consumers to obtain a credit score disclosure.

17 (B) 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 report also varies among CRAs. As  
23 a result, the credit score generated by each  
24 CRA is also likely to vary, resulting in poten-  
25 tially different credit decisions based on an

1 evaluation of different credit reports obtained  
2 from different CRAs.

3 (C) A February 2015 Consumer Bureau  
4 report titled “Consumer Voices on Credit Re-  
5 ports and Scores” found that consumers had  
6 questions about what actions to take to improve  
7 their scores once they had seen them, sug-  
8 gesting that additional disclosures and edu-  
9 cational content would be helpful to consumers.  
10 The Consumer Bureau found that consumers  
11 were confused by conflicting advice on how to  
12 improve their scores.

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

19 (5) PRIVATE EDUCATION LOANS.—

20 (A) The Consumer Bureau’s October 2014  
21 report titled “Annual Report of the CFPB Stu-  
22 dent Loan Ombudsman” noted many private  
23 education loan borrowers, who sought to nego-  
24 tiate a modified repayment plan when they were  
25 experiencing a period of financial distress, were

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

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

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

1 (A) NCLC cited the proliferation of law  
2 enforcement actions against many for-profit  
3 schools in its June 2014 report, titled “Ensuring  
4 Educational Integrity: 10 Steps to Improve  
5 State Oversight of For-profit Schools”, to demonstrate  
6 the pervasive problem in this sector of  
7 targeting low-income students with deceptive  
8 high-pressure sales techniques involving inflated  
9 job placement rates and misleading data on  
10 graduate wages, and false representations about  
11 the transferability of credits and the employ-  
12 ability of graduates in occupations that require  
13 licensure. Student loan borrowers at these  
14 schools may be left with nothing but worthless  
15 credentials and large debt. Those who default  
16 on their student loans face years with damaged  
17 credit that will adversely impact their ability to  
18 rent or buy homes, purchase cars, and find em-  
19 ployment.

20 (B) The closure and bankruptcy of Corin-  
21 thian Colleges, which was found to have de-  
22 ceived students by steering them into high-in-  
23 terest student loans based on misleading grad-  
24 uation rates and employment data, is a good  
25 example of the problem. Even after its closure,

1 many Corinthian students remained saddled  
2 with student loan debt, worthless degrees, and  
3 few prospects for employment.

4 (C) Attending a two-year, for-profit college  
5 costs, on average, four times as much as at-  
6 tending a community college. Students at for-  
7 profit colleges represent only about 11 percent  
8 of the total higher education population but a  
9 startling 44 percent of all Federal student loan  
10 defaults, according to the United States De-  
11 partment of Education (“DOE”).

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

1 (E) As highlighted in a press release titled  
2 “Obama Administration Announces Final Rules  
3 to Protect Students from Poor-Performing Ca-  
4 reer College Programs”, that was issued by the  
5 DOE on October 30, 2014, “[t]oo often, stu-  
6 dents at career colleges—including thousands of  
7 veterans—are charged excessive costs, but don’t  
8 get the education they paid for. Instead, stu-  
9 dents in such programs are provided with poor  
10 quality training, often for low-wage jobs or in  
11 occupations where there are simply no job op-  
12 portunities. They find themselves with large  
13 amounts of debt and, too often, end up in de-  
14 fault. In many cases, students are drawn into  
15 these programs with confusing or misleading in-  
16 formation.”.

17 (7) 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) The Consumer Bureau’s review of 5  
23 million anonymized credit files from September  
24 2011 to September 2013, for example, found  
25 that credit scores may underestimate a person’s

1 creditworthiness by up to 10 points for those  
2 who owe medical debt, and may underestimate  
3 a person's creditworthiness by up to 22 points  
4 after the medical debt has been paid. For con-  
5 sumers with lower credit scores, especially those  
6 on the brink of what is considered subprime, a  
7 10 to 22 point decrease in their credit scores  
8 can have a significant impact on their lives, in-  
9 cluding by affecting whether they are able to  
10 qualify for credit and, if so, the terms and con-  
11 ditions under which it is extended to them.

12 (C) The Consumer Bureau found that half  
13 of all collections trade lines that appear on con-  
14 sumer reports are related to medical bills  
15 claimed to be owed to hospitals and other med-  
16 ical providers. These trade lines affect the re-  
17 ports of nearly 1/5 of all consumers in the cred-  
18 it reporting system.

19 (D) The Consumer Bureau has found that  
20 there are no objective or enforceable standards  
21 that determine when a debt can or should be  
22 reported as a collection trade line. Because debt  
23 buyers and collectors determine whether, when,  
24 and for how long to report a collection account,  
25 there is only a limited relationship between the

1 time period reported, the severity of a delin-  
2 quency, and when or whether a collection trade  
3 line appears on a consumer's credit report.

4 (E) Medical bills can be complex and con-  
5 fusing for many consumers, which results in  
6 consumers' uncertainty about what they owe, to  
7 whom, when, or for what, that may cause some  
8 people, who ordinarily pay their bills on time, to  
9 delay or withhold payments on their medical  
10 debts. This uncertainty can also result in med-  
11 ical collections appearing on consumer reports.  
12 In a December 2014 report titled "Consumer  
13 Credit Reports: A Study of Medical and Non-  
14 Medical Collections", the Consumer Bureau  
15 found that a large portion of consumers with  
16 medical collections show no other evidence of fi-  
17 nancial distress and are consumers who ordi-  
18 narily pay their other financial obligations on  
19 time. Unlike with most credit products or serv-  
20 ices, such as credit cards, installment loans,  
21 utilities, or wireless or cable services that have  
22 contractual account disclosures describing the  
23 terms and conditions of use, most consumers  
24 are not told what their out-of-pocket medical  
25 costs will be in advance. Consumers needing ur-



1           gent or emergency care rarely know, or are pro-  
2           vided, the cost of a medical treatment or proce-  
3           dure before the service is rendered.

4           (F) The Consumer Bureau concluded that  
5           the presence of medical collections is less pre-  
6           dictive of future defaults or serious delin-  
7           quencies than the presence of a nonmedical col-  
8           lection in a study titled “Data Point: Medical  
9           Debt and Credit Scores”, issued in May 2014.

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

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

19          (I) The three nationwide CRAs entered  
20          into a settlement agreement with the New York  
21          State attorney general in 2015 to address defi-  
22          ciencies in their dispute resolution process and  
23          enhance the accuracy of items on reports. These  
24          policy changes will be implemented in a three-  
25          phrased rollout, culminating by June 2018.

1           Subsequently, these CRAs entered into a coop-  
2           erative agreement with 31 State Attorneys Gen-  
3           eral, which was the basis of the creation of the  
4           National Consumer Assistance Plan (“NCAP”)  
5           to change some of their business practices.

6           (J) While the CRAs appear to be volun-  
7           tarily adopting policy changes on a nationwide  
8           basis, they are not obligated to do so for con-  
9           sumers who reside in States that are not party  
10          to any of the consent orders.

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

1 (8) FINANCIAL ABUSE BY KNOWN PERSONS.—

2 (A) Financial abuse and exploitation are  
3 frequently associated with domestic violence.  
4 This type of abuse may result in fraudulent  
5 charges to a credit card or having fraudulent  
6 accounts created by the abuser in the survivor's  
7 name that could affect ratings by CRAs. Finan-  
8 cial abuse may also result in the survivor's in-  
9 ability to make timely payments on their valid  
10 obligations due to loss or changes in income  
11 that can occur when their abuser steals from or  
12 coerces the survivor to relinquish their pay-  
13 checks or savings that could affect ratings by  
14 CRAs.

15 (B) By racking up substantial debts in the  
16 survivor's name, abusers are able to exercise fi-  
17 nancial control over their survivors to make it  
18 economically difficult for the survivor, whose  
19 credit is often destroyed, to escape the situa-  
20 tion.

21 (C) Domestic abuse survivors with poor  
22 credit are likely to face significant obstacles in  
23 establishing financial independence from their  
24 abusers. This can be due, in part, because con-  
25 sumer reports may be used when a person at-

1           tempts to obtain a checking account, housing,  
2           insurance, utilities, employment, and even a se-  
3           curity clearance as required for certain jobs.

4           (D) Providing documentation of identity  
5           (“ID”) theft in order to dispute information on  
6           one’s consumer report can be particularly chal-  
7           lenging for those who know their financial  
8           abuser.

9           (E) While it is easier for consumers who  
10          obtain a police report to remove fraudulent in-  
11          formation from their consumer report and pre-  
12          vent it from reappearing in the future, accord-  
13          ing to the Empire Justice Center, safety and  
14          other noncredit concerns may impact the capac-  
15          ity of a survivor of financial abuse committed  
16          by a known person to turn to law enforcement  
17          to get a police report.

18          (F) According to the Legal Aid Society in  
19          New York, domestic abuse survivors, seeking to  
20          remove adverse information stemming from fi-  
21          nancial abuse by contacting their furnishers di-  
22          rectly, are likely to face skepticism about claims  
23          of ID theft perpetrated by a partner because of  
24          an assumption that they are aware of, and may

1           have been complicit in, the activity which the  
2           survivor alleges stems from financial abuse.

3           (9) DECEPTIVE AND MISLEADING MARKETING  
4           PRACTICES.—

5                   (A) The Consumer Bureau’s February  
6           2015 report titled “Consumer Voices on Credit  
7           Reports and Scores” found that some con-  
8           sumers did not obtain a copy of their consumer  
9           report due to concerns about security or of  
10          being trapped into purchasing unwanted prod-  
11          ucts like an additional report or a credit moni-  
12          toring service.

13                   (B) In January 2017, the Consumer Bu-  
14          reau fined TransUnion and Equifax for decep-  
15          tively marketing credit scores for purchase by  
16          consumers as the same credit scores typically  
17          used by lenders to determine creditworthiness  
18          and for luring consumers into costly subscrip-  
19          tion services that were advertised as “free” or  
20          “\$1” that automatically charged recurring fees  
21          unless cancelled by consumers. The Consumer  
22          Bureau also found that Equifax was illegally  
23          advertising its products on webpages that con-  
24          sumers                   accessed                   through  
25          AnnualCreditReport.com before consumers ob-

1           tained their free disclosures. Because of these  
2           troubling practices, TransUnion was ordered to  
3           pay \$13.9 million in restitution to harmed con-  
4           sumers and a civil penalty of \$3 million to the  
5           Consumer Bureau. Equifax was ordered to pay  
6           more than \$3.7 million to affected consumers  
7           as well as a civil money penalty of \$2.5 million  
8           to the Consumer Bureau. As part of the con-  
9           sent orders, the CRAs are also supposed to  
10          change the way that they sell their products to  
11          consumers. The CRAs must also obtain con-  
12          sumers' express consent before enrolling them  
13          into subscription services as well as make it  
14          easier for consumers to cancel these programs.

15                 (C) The Consumer Bureau fined the other  
16          nationwide CRA—Experian—in March 2017  
17          for deceiving consumers about the use of credit  
18          scores that it marketed and sold to consumers  
19          as credit scores that were used by lenders and  
20          for illegally advertising its products on web  
21          pages that consumers accessed through  
22          AnnualCreditReport.com before they obtained  
23          their free annual disclosures. Experian was or-  
24          dered to pay more than \$3.7 million in restitu-  
25          tion to harmed consumers and a civil monetary

1 penalty of \$2.5 million to the Consumer Bu-  
2 reau.

3 (D) The Consumer Bureau's January and  
4 March 2017 consent orders with the three na-  
5 tionwide CRAs show that these CRAs have en-  
6 ticed consumers into purchasing products and  
7 services that they may not want or need, in  
8 some instances by advertising products or serv-  
9 ices "free" that automatically converted into an  
10 ongoing subscription service at the regular price  
11 unless cancelled by the consumer. Although  
12 these CRAs must now change their deceptive  
13 marketing practices, codifying these duties is an  
14 appropriate way to ensure that these companies  
15 never revert back to such misleading tactics.

16 (E) Given the ubiquitous use of consumer  
17 reports in consumers' lives and the fact that  
18 consumers' participation in the credit reporting  
19 system is involuntary, CRAs should also  
20 prioritize providing consumers with the effective  
21 means to safeguard their personal and financial  
22 information and improve their credit standing,  
23 rather than seeking to exploit consumers' con-  
24 cerns and confusion about credit reporting and  
25 scoring, to boost their companies' profits.

1 (F) Vulnerable consumers, who have legiti-  
2 mate concerns about the security of their per-  
3 sonal and financial information, deserve clear,  
4 accurate, and transparent information about  
5 the credit reporting tools that may be available  
6 to them, such as fraud alerts and freezes.

7 (10) CLARITY IN CREDIT SCORING.—

8 (A) The February 2015 report of the Bu-  
9 reau of Consumer Financial Protection titled  
10 “Consumer Voices on Credit Reports and  
11 Scores” found that some consumers are reluc-  
12 tant to comparison shop for loans and other  
13 types of consumer credit products out of fear  
14 that they will lower their credit scores by doing  
15 so.

16 (B) The Consumer Bureau found that one  
17 of the most common barriers for people in re-  
18 viewing their own credit reports and shopping  
19 for the best credit terms was a lack of under-  
20 standing of the differences between “soft” and  
21 “hard” inquiries and whether requesting a copy  
22 of their own report would adversely impact their  
23 credit standing.

24 (C) The Bureau of Consumer Financial  
25 Protection revealed that consumers with accu-



1 rate perceptions of their creditworthiness may  
2 be better equipped to shop for favorable credit  
3 terms.

4 (11) CREDIT CHECKS AND EMPLOYMENT DECI-  
5 SIONS.—

6 (A) The use of consumer reports as a fac-  
7 tor in making hiring decisions has been found  
8 to be prevalent in a diverse array of occupa-  
9 tions, and is not limited to certain high-level  
10 management or executive positions.

11 (B) According to the California Labor  
12 Federation, only 25 percent of employers re-  
13 searched the credit history of job applicants in  
14 1998. However, this practice had increased to  
15 43 percent by 2006 and to 60 percent by 2011.

16 (C) A study titled “Do Job Applicant  
17 Credit Histories Predict Job Performance Ap-  
18 praisal Ratings or Termination Decisions?”,  
19 published in 2012, found that, while credit his-  
20 tory might conceptually measure a person’s  
21 level of responsibility, ability to meet deadlines,  
22 dependability, or integrity, it does not, in prac-  
23 tice, actually predict an employee’s performance  
24 or likelihood to quit. Credit reports contain  
25 many inaccuracies and credit history can be

1 contaminated by events that are sometimes out-  
2 side a person's control, such as a sudden med-  
3 ical expense after an accident or the loss of a  
4 job during an economic downturn. The study  
5 found that there is no benefit from using credit  
6 history to predict job performance or turnover.

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

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

1 can also impede their chances of obtaining a  
2 new job to end their financial distress.

3 (F) A September 2014 report by the New  
4 York City Council’s Committee on Civil Rights  
5 noted that, for those who have been unemployed  
6 for an extended period of time and whose credit  
7 has suffered as they fell behind on bills, the use  
8 of credit reports in the hiring process can exacer-  
9bate and perpetuate an already precarious sit-  
10uation.

11 (G) In a March 2013 Demos report titled  
12 “Discredited: How Employment Credit Checks  
13 Keep Out Qualified Workers Out of a Job”, one  
14 in four survey participants who were unem-  
15ployed said that a potential employer had re-  
16quested to check their credit report as part of  
17a job application. Among job applicants with  
18blemished credit histories in the survey, one in  
19seven had been told that they were not being  
20hired because of their credit history.

21 (H) While job applicants must give prior  
22approval for a prospective employer to pull their  
23credit reports under the FCRA, this authoriza-  
24tion, as a practical matter, does not constitute  
25an effective consumer protection because an

1 employer may reject any job applicant who re-  
2 fuses a credit check.

3 (I) Some negative information on a report  
4 may stem from uncontrollable circumstances, or  
5 significant life events in a consumer's life, such  
6 as a medical crisis or a divorce. Demos found  
7 that poor credit is associated with household  
8 unemployment, lack of health coverage, and  
9 medical debt, which are factors that reflect eco-  
10 nomic conditions in the country and personal  
11 misfortune that have little relationship with how  
12 well a job applicant would perform at work.

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

1           these borrowers would have qualified for less  
2           costly prime credit.

3           (K) A May 2006 Brookings Institution re-  
4           port titled “Credit Scores, Reports, and Getting  
5           Ahead in America” found that counties with a  
6           relatively higher proportion of racial and ethnic  
7           minorities in the United States tended to have  
8           lower credit scores compared with counties that  
9           had a lower concentration of communities of  
10          color.

11          (L) Studies have consistently found that  
12          African American and Latino households tend,  
13          on average, to have lower credit scores than  
14          White households. The growing use of credit  
15          checks, therefore, may disproportionately screen  
16          otherwise qualified racial and ethnic minorities  
17          out of jobs, leading to discriminatory hiring  
18          practices, and further exacerbating the trend  
19          where unemployment for African American and  
20          Latino communities is elevated well above the  
21          rate of Whites.

22          (M) A 2012 Demos survey found that 65  
23          percent of White respondents reported having  
24          good or excellent credit scores while over half of

1 African American households reported only hav-  
2 ing fair or bad credit.

3 (12) DECEPTIVE AND MISLEADING MARKETING  
4 PRACTICES.—

5 (A) The Consumer Bureau’s February  
6 2015 report titled “Consumer Voices on Credit  
7 Reports and Scores” found that some con-  
8 sumers did not obtain a copy of their consumer  
9 report due to concerns about security or of  
10 being trapped into purchasing unwanted prod-  
11 ucts like an additional report or a credit moni-  
12 toring service.

13 (B) In January 2017, the Consumer Bu-  
14 reau fined TransUnion and Equifax for decep-  
15 tively marketing credit scores for purchase by  
16 consumers as the same credit scores typically  
17 used by lenders to determine creditworthiness  
18 and for luring consumers into costly subscrip-  
19 tion services that were advertised as “free” or  
20 “\$1” that automatically charged recurring fees  
21 unless cancelled by consumers. The Consumer  
22 Bureau also found that Equifax was illegally  
23 advertising its products on webpages that con-  
24 sumers accessed through  
25 AnnualCreditReport.com before consumers ob-

1           tained their free disclosures. Because of these  
2           troubling practices, TransUnion was ordered to  
3           pay \$13.9 million in restitution to harmed con-  
4           sumers and a civil penalty of \$3 million to the  
5           Consumer Bureau. Equifax was ordered to pay  
6           more than \$3.7 million to affected consumers  
7           as well as a civil money penalty of \$2.5 million  
8           to the Consumer Bureau. As part of the con-  
9           sent orders, the CRAs are also supposed to  
10          change the way that they sell their products to  
11          consumers. The CRAs must also obtain con-  
12          sumers' express consent before enrolling them  
13          into subscription services as well as make it  
14          easier for consumers to cancel these programs.

15                (C) The Consumer Bureau fined the other  
16          nationwide CRA—Experian—in March 2017  
17          for deceiving consumers about the use of credit  
18          scores that it marketed and sold to consumers  
19          as credit scores that were used by lenders and  
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21          pages that consumers accessed through  
22          AnnualCreditReport.com before they obtained  
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24          dered to pay more than \$3.7 million in restitu-  
25          tion to harmed consumers and a civil monetary

1 penalty of \$2.5 million to the Consumer Bu-  
2 reau.

3 (D) The Consumer Bureau's January and  
4 March 2017 consent orders with the three na-  
5 tionwide CRAs show that these CRAs have en-  
6 ticed consumers into purchasing products and  
7 services that they may not want or need, in  
8 some instances by advertising products or serv-  
9 ices "free" that automatically converted into an  
10 ongoing subscription service at the regular price  
11 unless cancelled by the consumer. Although  
12 these CRAs must now change their deceptive  
13 marketing practices, codifying these duties is an  
14 appropriate way to ensure that these companies  
15 never revert back to such misleading tactics.

16 (E) Given the ubiquitous use of consumer  
17 reports in consumers' lives and the fact that  
18 consumers' participation in the credit reporting  
19 system is involuntary, CRAs should also  
20 prioritize providing consumers with the effective  
21 means to safeguard their personal and financial  
22 information and improve their credit standing,  
23 rather than seeking to exploit consumers' con-  
24 cerns and confusion about credit reporting and  
25 scoring, to boost their companies' profits.



1 (F) Vulnerable consumers, who have legiti-  
2 mate concerns about the security of their per-  
3 sonal and financial information, deserve clear,  
4 accurate, and transparent information about  
5 the credit reporting tools that may be available  
6 to them, such as fraud alerts and freezes.

7 (13) PROTECTIONS FOR CONSUMERS' CREDIT  
8 INFORMATION.—

9 (A) Despite heightened awareness, inci-  
10 dents of ID theft continue to rise. In February  
11 2015, the Federal Government reported that ID  
12 theft was the top consumer complaint that it  
13 received for the 15th consecutive year. As these  
14 incidents increase, consumers experience signifi-  
15 cant financial loss and emotional distress from  
16 the inability to safeguard effectively and inex-  
17 pensively their credit information from bad ac-  
18 tors.

19 (B) According to a Carnegie Mellon study,  
20 children are 50 times more likely than adults to  
21 have their identities stolen. Child identities are  
22 valuable to thieves because most children do not  
23 have existing files, and their parents may not  
24 notice fraudulent activity until their child ap-  
25 plies for a student loan, a job, or a credit card.

1 As a result, the fraudulent activity of the bad  
2 actors may go undetected for years.

3 (C) Despite the increasing incidents of  
4 children's ID theft, parents who want to  
5 proactively prevent their children from having  
6 their identity stolen, may not be able to do so.  
7 Only one of the three nationwide CRAs cur-  
8 rently allows parents from any State to set up  
9 a freeze for a minor child. At the other two na-  
10 tionwide CRAs, parents can only obtain a freeze  
11 after a child has become an ID theft victim be-  
12 cause, it is only at this point, that these CRAs  
13 have an existing credit file for the child. While  
14 many States have enacted laws to address this  
15 problem, there is no existing Federal law.

16 (D) According to Javelin Strategy &  
17 Research's 2015 Identity Fraud study, \$16 bil-  
18 lion was stolen by fraudsters from 12.7 million  
19 American consumers in 2014. Similarly, the  
20 United States Department of Justice found an  
21 estimated 7 percent of all residents age 16 or  
22 older (about 17.6 million persons) in this coun-  
23 try were victims of one or more incidents of ID  
24 theft in 2014, and the number of elderly victims

1 age 65 or older (about 86 percent) increased  
2 from 2.1 million in 2012 to 2.6 million in 2014.

3 (E) Consumers frequently express concern  
4 about the security of their financial informa-  
5 tion. According to a 2015 MasterCard survey,  
6 a majority of consumers (77 percent) have anx-  
7 iety about the possibility that their financial in-  
8 formation and Social Security numbers may be  
9 stolen or compromised, with about 55 percent  
10 of consumers indicating that they would rather  
11 have naked pictures of themselves leaked online  
12 than have their financial information stolen.

13 (F) That survey also revealed that con-  
14 sumers' fears about the online security of their  
15 financial information even outweighed con-  
16 sumers' worries about other physical security  
17 dangers such as having their houses robbed (59  
18 percent) or being pickpocketed (46 percent).

19 (G) According to Consumer Reports,  
20 roughly 50 million American consumers spent  
21 about \$3.5 billion in 2010 to purchase products  
22 aimed at protecting their identity, with the an-  
23 nual cost of these services ranging from \$120  
24 to \$300. As risks to consumers' personal and fi-  
25 nancial information continue to grow, con-

1 consumers need additional protections to ensure  
2 that they have fair and reasonable access to the  
3 full suite of ID theft and fraud prevention  
4 measures that may be right for them.

5 **SEC. 4. EFFECTIVE DATE.**

6 Except as otherwise specified, the amendments made  
7 by this Act shall take effect 2 years after the date of the  
8 enactment of this Act.

9 **SEC. 5. RULEMAKING.**

10 Except as otherwise provided, not later than the end  
11 of the 2-year period beginning on the date of the enact-  
12 ment of this Act, the Director of the Bureau of Consumer  
13 Financial Protection shall issue final rules to implement  
14 the amendments made by this Act.

15 **SEC. 6. DISCRETIONARY SURPLUS FUND.**

16 (a) **IN GENERAL.**—The dollar amount specified  
17 under section 7(a)(3)(A) of the Federal Reserve Act (12  
18 U.S.C. 289(a)(3)(A)) is reduced by \$26,000,000.

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

1           **TITLE I—IMPROVEMENTS TO**  
2           **THE DISPUTE PROCESS**

3   **SEC. 101. DISPUTE PROCEDURES AND DISCLOSURES RE-**  
4           **LATING TO REINVESTIGATIONS.**

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

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

10           “(1) REINVESTIGATIONS REQUIRED.—

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

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

24           “(ii) notify the consumer that a nota-  
25 tion described in section 605(e) will be

1 added to the consumer’s file until the re-  
2 investigation has been completed and that  
3 such notation can be removed at the re-  
4 quest of the consumer; and

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

10 “(I) record the current status of  
11 the disputed information; or

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

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

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

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

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

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

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

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

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

21                         “(i) maintain sufficient resources and  
22                         trained staff, commensurate with the vol-  
23                         ume and complexity of disputes received or  
24                         reasonably anticipated to be received, to  
25                         determine whether the disputed informa-



1           tion is accurate, complete, or can be  
2           verified by the person who provided the in-  
3           formation;

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

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

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

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

24          “(B) CONSUMER REPORTING.—The con-  
25          sumer reporting agency shall not impose any

1 limitation or otherwise impede the ability of a  
2 consumer to submit information about the dis-  
3 puted item.

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

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

24 “(4) NOTICE TO CONSUMER OF RESULTS OF  
25 REINVESTIGATION.—

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

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

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

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

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

24                         “(I) a copy of the consumer re-  
25                         port and credit score or educational

1 score (if applicable) that is based  
2 upon the consumer's revised file;

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

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

22 “(IV) a statement that the con-  
23 sumer has the right, free of charge, to  
24 request under subsection (d) that the  
25 consumer reporting agency furnish

1 notifications of the consumer's revised  
2 report;

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

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

21 “(vi) a copy of all information relating  
22 to the consumer that was used by the con-  
23 sumer reporting agency in carrying out the  
24 reinvestigation and relied upon as the basis  
25 for the determination about the accuracy

1 and completeness of the disputed informa-  
2 tion;

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

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

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

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

22 “(A) CERTIFICATION OF NEW DETERMINA-  
23 TION THAT ITEM IS ACCURATE OR COM-  
24 PLETE.—A consumer reporting agency may not  
25 reinsert into a consumer’s file any information

1 that was previously deleted or modified pursu-  
2 ant to paragraph (3)(D), unless the person who  
3 provided the information—

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

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

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

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

21 “(i) the business name, mailing ad-  
22 dress, telephone number, and Internet  
23 website address (if available) of any person  
24 who provided information to or contacted

1 the consumer reporting agency in connec-  
2 tion with the reinsertion;

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

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

23 “(iv) a statement that the consumer  
24 may appeal the determination that the pre-  
25 viously deleted or modified information is



1 accurate or complete and a description of  
2 the procedure for the consumer to make  
3 such an appeal pursuant to subsection (i);  
4 and

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

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

24 “(A) prompt notice confirming the deletion  
25 or modification of the information from the con-

1           sumer’s file in writing or by other means, if  
2           agreed to by the consumer when the informa-  
3           tion is disputed;

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

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

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

23          “(7) NO EXCUSE FOR FAILURE TO CONDUCT  
24          REINVESTIGATION.—A consumer reporting agency  
25          may not refuse to conduct a reinvestigation under

1       this subsection because the agency determines that  
2       the dispute was submitted by an authorized third  
3       party, unless the agency has clear and convincing  
4       evidence that the third party is not authorized to  
5       submit the dispute on the consumer’s behalf. If the  
6       consumer reporting agency refuses to reinvestigate a  
7       dispute for these reasons, it shall provide a clear and  
8       conspicuous notice to the consumer explaining the  
9       reasons for the refusal and describing the specific in-  
10      formation the consumer is required to provide for  
11      the agency to conduct the reinvestigation.”.

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

17      (c) INCLUDING SPECIALTY CONSUMER REPORTING  
18      AGENCIES IN REPORTS.—

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

23              (2) TECHNICAL AMENDMENT.—Section  
24      611(e)(1) of the Fair Credit Reporting Act (15

1 U.S.C. 1681i(e)(1)) is amended by striking “The  
2 Commission” and inserting “The Bureau”.

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

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

8 (2) in section 611—

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

12 (B) in subsection (f)(3)—

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

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

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

22 (e) GLOBAL TECHNICAL CORRECTIONS TO REF-  
23 ERENCES TO NATIONWIDE SPECIALTY CONSUMER RE-  
24 PORTING AGENCY.—The Fair Credit Reporting Act (15  
25 U.S.C. 1681 et seq.) 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. CONSUMER AWARENESS OF DISPUTE RIGHTS.**

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

9 “(h) INCREASED CONSUMER AWARENESS OF DIS-  
10 PUTE RIGHTS.—

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

15 “(A) establish an Internet website acces-  
16 sible to consumers; and

17 “(B) post on the home page of such  
18 website a hyperlink to a separate webpage es-  
19 tablished and maintained solely for the purpose  
20 of providing information to a consumer about  
21 how to dispute an item of information in the  
22 consumer report of the consumer.

23 “(2) DISPUTE WEBPAGE REQUIREMENTS.—For  
24 a consumer reporting agency described under sub-

1 section (p) or (x) of section 603, the separate dis-  
2 pute webpage described in paragraph (1)(B)—

3 “(A) may not include any type or form of  
4 marketing, advertising, information, or material  
5 associated with any products or services offered  
6 or sold to consumers;

7 “(B) shall clearly and conspicuously dis-  
8 close a concise statement regarding how to file  
9 a dispute through the agency, free of charge, in  
10 the manner and format prescribed by the Bu-  
11 reau;

12 “(C) shall describe the types of documents  
13 that will be used by the agency in resolving the  
14 dispute, including the business name and mail-  
15 ing address to which a consumer may send such  
16 documents;

17 “(D) shall include a clear and concise ex-  
18 planation of and the process for using electronic  
19 or other means to submit such documents, free  
20 of charge, and without any character or data  
21 limitation imposed by the agency;

22 “(E) shall include a statement that the  
23 consumer may submit information, free of  
24 charge, that the consumer believes will assist

1 the consumer reporting agency in determining  
2 the results of the reinvestigation of the dispute;

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

15 “(G) shall provide translations of all infor-  
16 mation on the webpage in each of the 10 most  
17 commonly spoken languages, other than  
18 English, in the United States, as determined by  
19 the Bureau of the Census on an ongoing basis,  
20 and in formats accessible to individuals with  
21 hearing or vision impairments.”.

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

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

1           “(f) DUTY OF FURNISHERS TO MAINTAIN RECORDS  
2 OF CONSUMERS.—

3           “(1) IN GENERAL.—A person who furnishes in-  
4 formation to a consumer reporting agency relating  
5 to a consumer who has an account with that person  
6 shall maintain all information necessary to substan-  
7 tiate the accuracy and completeness of the informa-  
8 tion furnished, including any records establishing the  
9 liability and terms and conditions under which credit  
10 was extended to a consumer and any payment his-  
11 tory with respect to such credit.

12           “(2) RETENTION PERIOD.—Records described  
13 under paragraph (1) shall be maintained until the  
14 information with respect to which the records relate  
15 may no longer be included in a consumer report pur-  
16 suant to section 605.

17           “(3) TRANSFER OF OWNERSHIP.—If a person  
18 providing information to a consumer reporting agen-  
19 cy is acquired by another person, or if another per-  
20 son acquires the right to repayment connected to  
21 such information, the acquiring person shall be sub-  
22 ject to the requirements of this subsection with re-  
23 spect to such information to the same extent as the  
24 person who initially provided such information to the  
25 consumer reporting agency. The person selling or



1 transferring the right to repayment shall provide the  
2 information described in paragraph (1) to the trans-  
3 feree or the acquirer.”.

4 **SEC. 104. DUTIES OF FURNISHERS RELATING TO DISPUTE**  
5 **PROCEDURES, NOTICES, AND DISCLOSURES.**

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

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

11 (2) in paragraph (1)—

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

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

16 (3) in paragraph (8)—

17 (A) in subparagraph (A), by inserting  
18 “and completeness” after “accuracy”; and

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

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

1           “(7) DUTY OF FURNISHERS TO INFORM CON-  
2           SUMERS ABOUT REPORTING NEGATIVE INFORMA-  
3           TION.—

4           “(A) GENERAL NEGATIVE INFORMATION  
5           WARNING NOTICE TO ALL CONSUMERS PRIOR  
6           TO FURNISHING SUCH INFORMATION.—

7           “(i) IN GENERAL.—Any person that  
8           regularly furnishes negative information to  
9           a consumer reporting agency described in  
10          subsection (p) or (x) of section 603 about  
11          activity on any accounts of a consumer  
12          held by such person or transactions associ-  
13          ated with credit extended to a consumer by  
14          such person shall provide a written general  
15          negative information warning notice to  
16          each such consumer before such person  
17          may furnish any negative information re-  
18          lating to such a consumer.

19          “(ii) CONTENT.—Such notice shall—

20                  “(I) be clear and conspicuous;

21                  “(II) describe the types of activi-  
22                  ties that constitute negative informa-  
23                  tion;

24                  “(III) inform the consumer that  
25                  the person may report negative infor-

1           mation relating to any such accounts  
2           or transactions to a consumer report-  
3           ing agency described in subsection (p)  
4           or (x) of section 603;

5                   “(IV) state that the negative in-  
6                   formation may appear on a consumer  
7                   report of the consumer for the periods  
8                   described in section 605 and that dur-  
9                   ing such periods, the negative infor-  
10                  mation may adversely impact the con-  
11                  sumer’s credit score;

12                   “(V) state that in some limited  
13                   circumstances, the negative informa-  
14                   tion may result in other adverse ac-  
15                   tions, including a denial of a new job  
16                   or a promotion from existing employ-  
17                   ment; and

18                   “(VI) state that the consumer  
19                   has right to—

20                           “(aa) obtain a copy of their  
21                           consumer report and credit score  
22                           or educational score (if applica-  
23                           ble), which in some instances can  
24                           be obtained free of charge, from  
25                           any consumer reporting agency

1 to which negative information  
2 may be been sent; and

3 “(bb) dispute, free of  
4 charge, any errors on a consumer  
5 report relating to the consumer.

6 “(iii) TIMING OF NOTICE.—Such per-  
7 son shall provide such notice to a consumer  
8 not later than 90 days before the date on  
9 which the person furnishes negative infor-  
10 mation relating to such consumer.

11 “(B) SPECIFIC NEGATIVE INFORMATION  
12 NOTICE TO A CONSUMER.—

13 “(i) IN GENERAL.—Any person de-  
14 scribed in subparagraph (A) that has fur-  
15 nished negative information relating to ac-  
16 tivity on any accounts of a consumer held  
17 by such person or transactions associated  
18 with credit extended to a consumer by such  
19 person to a consumer reporting agency de-  
20 scribed in subsection (p) or (x) of section  
21 603 shall send a written notice to each  
22 such consumer.

23 “(ii) CONTENT.—Such notice shall—  
24 “(I) be clear and conspicuous;

1           “(II) inform the consumer that  
2           the person has furnished negative in-  
3           formation relating to such accounts or  
4           transactions to a consumer reporting  
5           agency described in subsection (p) or  
6           (x) of section 603;

7           “(III) identify any consumer re-  
8           porting agency to which the negative  
9           information was furnished, including  
10          the name of the agency, mailing ad-  
11          dress, Internet website address, and  
12          toll-free telephone number; and

13          “(IV) include the statements de-  
14          scribed in subclauses (IV), (V), and  
15          (VI) of subparagraph (A)(ii).

16          “(iii) TIME OF NOTICE.—Such person  
17          shall provide such notice to a consumer not  
18          later than 5 business days after the date  
19          on which the person furnished negative in-  
20          formation relating to such consumer.

21          “(C) NOTICE EFFECTIVE FOR SUBSE-  
22          QUENT SUBMISSIONS.—After providing the no-  
23          tice described in subparagraph (B), the person  
24          may submit additional negative information to  
25          a consumer reporting agency described in sub-

1 section (p) or (x) of section 603 without pro-  
2 viding additional notice to the consumer, unless  
3 another person acquires the right to repayment  
4 connected to the additional negative informa-  
5 tion. The acquiring person shall be subject to  
6 the requirements of this paragraph and shall be  
7 required to send consumers the written notices  
8 described in this paragraph, if applicable.

9 “(D) NON-TRADITIONAL DATA FUR-  
10 NISHERS.—Any person that furnishes negative  
11 information to a consumer reporting agency de-  
12 scribed in subsection (p) or (x) of section 603  
13 relating to any accounts of, or transactions as-  
14 sociated with, a consumer by such person in-  
15 volving non-traditional data shall be subject to  
16 the requirements described in subparagraphs  
17 (A), (B), and (C).

18 “(E) MODEL NOTICES.—

19 “(i) DUTY OF BUREAU.—Not later  
20 than 6 months after date of the enactment  
21 of this paragraph, the Bureau shall issue  
22 model forms for the notices described in  
23 subparagraphs (A) and (B) that a person  
24 may use to comply with the requirements  
25 of this paragraph.

1                   “(ii) USE OF MODEL NOTICE NOT RE-  
2                   QUIRED.—No provision of this paragraph  
3                   may be construed to require a person to  
4                   use the model notices prescribed by the  
5                   Bureau.

6                   “(iii) COMPLIANCE USING MODEL NO-  
7                   TICES.—A person shall be deemed to be in  
8                   compliance with the requirements of sub-  
9                   paragraph (A)(ii) or (B)(ii) (as applicable)  
10                  if the person uses the model notice pre-  
11                  scribed by the Bureau.

12                  “(F) ISSUANCE OF GENERAL NEGATIVE  
13                  WARNING NOTICE WITHOUT SUBMITTING NEGA-  
14                  TIVE INFORMATION.—No provision of this para-  
15                  graph may be construed to require a person de-  
16                  scribed in subparagraph (A) or (D) to furnish  
17                  negative information about a consumer to a  
18                  consumer reporting agency described in sub-  
19                  section (p) or (x) of section 603.

20                  “(G) SAFE HARBOR.—A person shall not  
21                  be liable for failure to perform the duties re-  
22                  quired by this paragraph if the person reason-  
23                  ably believes that the person is prohibited, by  
24                  law, from contacting the consumer.

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

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

8                   “(i) NEGATIVE INFORMATION.—The  
9                   term ‘negative information’ means infor-  
10                  mation concerning a consumer’s delin-  
11                  quencies, late payments, insolvency, or any  
12                  form of default.

13                  “(ii) NON-TRADITIONAL DATA.—The  
14                  term ‘non-traditional data’ relates to tele-  
15                  communications payments, utility pay-  
16                  ments, rent payments, remittances, wire  
17                  transfers, and such other items as deter-  
18                  mined by the Bureau.”.

19           (c) DUTIES OF FURNISHERS AFTER RECEIVING NO-  
20           TICE OF DISPUTE FROM A CONSUMER.—Section  
21           623(a)(8)(E) of the Fair Credit Reporting Act (15 U.S.C.  
22           1681s–2(a)(8)(E)) is amended to read as follows:

23                   “(E) DUTIES OF FURNISHERS AFTER RE-  
24                   CEIVING NOTICE OF DISPUTE FROM A CON-  
25                   SUMER.—After receiving a notice of dispute



1 from a consumer pursuant to subparagraph  
2 (D), the person that provided the information  
3 in dispute to a consumer reporting agency  
4 shall—

5 “(i) promptly provide to each con-  
6 sumer reporting agency to which the per-  
7 son furnished the disputed information the  
8 notice of dispute;

9 “(ii) review all information, including  
10 any substantiating documents, provided by  
11 the consumer about the disputed informa-  
12 tion and conduct an investigation, separate  
13 from any reinvestigation by a consumer re-  
14 porting agency or a reseller conducted with  
15 respect to the disputed information;

16 “(iii) before the expiration of the pe-  
17 riod under section 611(a)(1) within which  
18 a consumer reporting agency would be re-  
19 quired to complete its action if the con-  
20 sumer had elected to dispute the informa-  
21 tion under that section, complete an inves-  
22 tigation of the disputed information pursu-  
23 ant to the standards described in subpara-  
24 graph (G);

1           “(iv) notify the consumer, in writing,  
2           of the receipt of the dispute that in-  
3           cludes—

4                   “(I) a statement about any infor-  
5                   mation additional to the information  
6                   that the person is required to main-  
7                   tain under subsection (f) that would  
8                   support the person’s ability to carry  
9                   out an investigation to resolve the  
10                  consumer’s dispute; and

11                   “(II) a statement that the con-  
12                   sumer reporting agency to which the  
13                   disputed information was provided will  
14                   include a notation described in section  
15                   605(e) in the consumer’s file until the  
16                   investigation has been completed, and  
17                   information about how a consumer  
18                   may request that such notation is re-  
19                   moved by the agency;

20                   “(v) if the investigation determines  
21                   the disputed information is inaccurate, in-  
22                   complete, or unverifiable, promptly notify  
23                   each consumer reporting agency to which  
24                   the person furnished such information in  
25                   accordance with paragraph (2); and

1                   “(vi) notify the consumer of the re-  
2                   sults of the investigation, in writing, in ac-  
3                   cordance with subparagraph (H).”.

4           (d) ELIMINATING FURNISHERS’ AUTHORITY TO DIS-  
5 MISS DISPUTES AS FRIVOLOUS OR IRRELEVANT.—Section  
6 623(a)(8) of the Fair Credit Reporting Act (15 U.S.C.  
7 1681s–2(a)(8)) is amended by striking subparagraph (F)  
8 and redesignating subparagraph (G) as subparagraph (F).

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

13                   “(G) REASONABLE STANDARDS FOR FUR-  
14                   NISHERS FOR CONDUCTING INVESTIGATIONS  
15                   AND RESOLVING DISPUTES SUBMITTED BY CON-  
16                   SUMERS.—In any investigation conducted by a  
17                   person who furnishes information to a con-  
18                   sumer reporting agency of an item of informa-  
19                   tion being disputed by a consumer, the person,  
20                   at a minimum—

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

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

5           “(iii) shall verify that the personally  
6           identifiable information of the consumer  
7           submitting the dispute matches the person-  
8           ally identifiable information contained on  
9           such records;

10          “(iv) shall conduct a reasonable re-  
11          view to determine whether the disputed in-  
12          formation is accurate, complete, and can  
13          be verified that considers all the informa-  
14          tion, including any substantiating docu-  
15          ments, provided by the consumer about the  
16          disputed information;

17          “(v) shall ensure that the investiga-  
18          tion is an independent analysis that is sep-  
19          arate from any reinvestigation by a con-  
20          sumer reporting agency or a reseller con-  
21          ducted with respect to the disputed infor-  
22          mation; and

23          “(vi) may not impose any limitations  
24          or otherwise impede the ability of a con-  
25          sumer to submit information, including

1           any substantiating documents, about the  
2           disputed information.

3           “(H) CONTENTS OF THE NOTICE TO THE  
4           CONSUMER ABOUT THE RESULTS OF THE IN-  
5           VESTIGATION BY THE FURNISHER.—The notice  
6           of the results of the investigation described in  
7           subparagraph (E) shall include—

8                   “(i) a statement informing the con-  
9                   sumer as to whether the disputed informa-  
10                  tion was determined to be inaccurate, in-  
11                  complete, or unverifiable;

12                   “(ii) a statement of the specific rea-  
13                   sons supporting the results of the inves-  
14                   tigation;

15                   “(iii) a description of the procedure  
16                   used by the dispute resolution staff of the  
17                   person who furnishes information to a con-  
18                   sumer reporting agency to determine the  
19                   accuracy or completeness of the informa-  
20                   tion, including the business name, mailing  
21                   address, telephone number, and Internet  
22                   website address (if available) of any person  
23                   who was contacted by the staff in connec-  
24                   tion with the determination;

1           “(iv) a copy of all information relating  
2           to the consumer that was used in carrying  
3           out the investigation and was the basis for  
4           any determination about the accuracy or  
5           completeness of the disputed information;

6           “(v) a statement that consumer will  
7           receive, free of charge, a copy of their con-  
8           sumer report and credit score or edu-  
9           cational credit score (if applicable), from  
10          any consumer reporting agency to which  
11          the disputed information had been pro-  
12          vided, regardless of whether the consumer  
13          obtained or will obtain a free consumer re-  
14          port and credit score or educational credit  
15          score (if applicable) in the 12-month period  
16          preceding receipt of the notice described in  
17          this subparagraph pursuant to section  
18          612(a)(1);

19          “(vi) if the disputed information was  
20          found to be inaccurate, incomplete, or un-  
21          verifiable, a statement that the consumer  
22          report of the consumer shall be revised to  
23          reflect the change to the consumer’s file as  
24          a result of the investigation;

1           “(vii) a statement that the consumer  
2           has the right to appeal the results of the  
3           investigation under paragraph (10), free of  
4           charge, within 120 days after the date of  
5           the notice of the results of the investiga-  
6           tion was provided to the consumer and the  
7           process for submitting an appeal;

8           “(viii) a statement that the consumer  
9           may add a narrative statement, free of  
10          charge, to the consumer’s file held by the  
11          consumer reporting agency to which the in-  
12          formation has been furnished disputing the  
13          accuracy or completeness of the informa-  
14          tion, regardless of the results of the inves-  
15          tigation by the person, and the process for  
16          contacting any agency that received the  
17          consumer’s information from the person to  
18          submit a narrative statement;

19          “(ix) a statement informing the con-  
20          sumer that a notation described in section  
21          605(e) will be added to the consumer’s file  
22          during the period in which the consumer  
23          appeals the results of an investigation and  
24          that such notation can be removed at the  
25          request of the consumer; and

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

15          (f)       CONFORMING        AMENDMENT.—Section  
16   615(a)(4)(B) is amended—

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

19               (2) by striking “furnished by the agency” and  
20               inserting “to a consumer reporting agency under  
21               section 611 or to a person who furnished informa-  
22               tion to an agency under section 623”.



1 **SEC. 105. RIGHT TO APPEAL DISPUTES RELATING TO RE-**  
2 **INVESTIGATIONS AND INVESTIGATIONS.**

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

7 (1) in subsection (b), by inserting “or if the  
8 consumer is unsatisfied with the results of an appeal  
9 conducted under subsection (i),” after “resolve the  
10 dispute,”; and

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

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

15 “(1) IN GENERAL.—Within 120 days after the  
16 date of receipt of the results of a reinvestigation  
17 conducted under subsection (a), a consumer (or au-  
18 thorized third party) may, free of charge, appeal the  
19 results of such reinvestigation by submitting a notice  
20 of appeal to the consumer reporting agency.

21 “(2) NOTICE OF APPEAL.—

22 “(A) REQUIREMENTS.—A notice of appeal  
23 described in paragraph (1) may be submitted in  
24 writing, or through a toll-free telephone number  
25 or other electronic means established by the  
26 consumer reporting agency (including on the

1 Internet website described in subsection (h)),  
2 and—

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

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

8 “(iii) may provide any information the  
9 consumer believes is relevant to substan-  
10 tiate the validity of the dispute.

11 “(B) CONSUMER REPORTING AGENCY NO-  
12 TICE TO CONSUMER.—Upon receipt of such no-  
13 tice of appeal, the consumer reporting agency  
14 shall promptly provide to the consumer a state-  
15 ment confirming the receipt of the consumer’s  
16 notice of appeal that shall include—

17 “(i) an approximate date on which the  
18 consumer’s appeal review will be com-  
19 pleted;

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

22 “(iii) an employee reference number  
23 or other employee identifier for each of the  
24 specific individuals designated by the con-  
25 sumer reporting agency who, upon the re-

1           quest of the consumer, may discuss the  
2           substance and status of the appeal.

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

5           “(A) IN GENERAL.—Not later than 20  
6           days after receiving a notice of appeal, the con-  
7           sumer reporting agency shall review the appeal.  
8           If the consumer reporting agency determines  
9           the information is inaccurate, incomplete, or  
10          cannot be verified, the consumer reporting  
11          agency shall delete or modify the item of infor-  
12          mation being disputed by the consumer from  
13          the file of the consumer before the end of the  
14          20-day period beginning on the date on which  
15          the consumer reporting agency receives a notice  
16          of an appeal from the consumer.

17          “(B) NOTICE OF APPEAL TO FURNISHER;  
18          INFORMATION REGARDING DISPUTE PROVIDED  
19          BY THE CONSUMER.—

20          “(i) IN GENERAL.—Before the end of  
21          the period of 3 business days beginning on  
22          the date on which a consumer reporting  
23          agency receives a notice of appeal, the con-  
24          sumer reporting agency shall provide no-  
25          tice of the appeal, including all information

1 relating to the specific appeal that the con-  
2 sumer reporting agency has received from  
3 the consumer, to any person who provided  
4 any information in dispute.

5 “(ii) PROVISION OF ADDITIONAL IN-  
6 FORMATION REGARDING THE DISPUTE.—If  
7 the consumer reporting agency receives ad-  
8 ditional information from the consumer  
9 after the agency provides the notice re-  
10 quired under clause (i) and before the end  
11 of the 20-day period described in subpara-  
12 graph (A), the consumer reporting agency  
13 shall, not later than 3 business days after  
14 receiving such information, provide such  
15 information to any person who provided  
16 the information in dispute and shall have  
17 an additional 10 business days to complete  
18 the appeal review.

19 “(C) MINIMUM STANDARDS FOR APPEALS  
20 EMPLOYEES.—

21 “(i) DESIGNATION.—Upon receipt of  
22 a notice of appeal under paragraph (1), a  
23 consumer reporting agency shall designate  
24 one or more specific employees who—

1           “(I) shall be assigned an em-  
2           ployee reference number or other em-  
3           ployee identifier that can be used by  
4           the consumer to discuss the appeal  
5           with the specific individuals handling  
6           the appeal;

7           “(II) shall have direct authority  
8           to resolve the dispute that is the sub-  
9           ject of the notice of appeal from the  
10          review stage to its completion;

11          “(III) shall meet minimum train-  
12          ing and ongoing certification require-  
13          ments at regular intervals, as estab-  
14          lished by the Bureau;

15          “(IV) shall be located within the  
16          United States;

17          “(V) may not have been involved  
18          in the reinvestigation conducted or  
19          terminated pursuant to subsection (a);  
20          and

21          “(VI) may not be subject to any  
22          requirements linking incentives, in-  
23          cluding promotion, to the number of  
24          appeals processed within a certain  
25          time period.

1           “(ii) REQUIREMENTS.—Such employ-  
2           ees shall conduct a robust review of the ap-  
3           peal and make a determination regarding  
4           the accuracy and completeness of the dis-  
5           puted information by—

6                   “(I) conducting an independent  
7                   analysis, separate from any investiga-  
8                   tion by a reseller or person who pro-  
9                   vided the disputed information, and  
10                  separate from any prior reinvestiga-  
11                  tion conducted by the consumer re-  
12                  porting agency of the disputed infor-  
13                  mation;

14                  “(II) verifying that the personally  
15                  identifiable information of the con-  
16                  sumer submitting the dispute matches  
17                  the personally identifiable information  
18                  contained on the consumer’s file;

19                  “(III) analyzing the notice of ap-  
20                  peal and all information, including  
21                  any substantiating documents, pro-  
22                  vided by the consumer with the notice  
23                  of appeal;

24                  “(IV) evaluating the validity of  
25                  any information submitted by any

1 person that was used by the consumer  
2 reporting agency in the reinvestigation  
3 of the initial dispute;

4 “(V) verifying that the consumer  
5 reporting agency has a record of the  
6 information being disputed; and

7 “(VI) applying any additional  
8 factors or investigative processes, as  
9 specified by the Bureau.

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

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

1           “(ii) a copy of all information relating  
2           to the consumer that was used as a basis  
3           for deciding the results of the appeal;

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

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

16          “(v) information describing that the  
17          consumer may submit a statement, without  
18          charge, disputing the accuracy or com-  
19          pleteness of information in the consumer’s  
20          file that was the subject of an appeal  
21          under this subsection by submitting a  
22          statement directly to each consumer re-  
23          porting agency that received the informa-  
24          tion;



1           “(vi) a description of the consumer’s  
2           rights pursuant to subsection (d) (relating  
3           to furnishing notifications to certain users  
4           of consumer reports); and

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

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

23          (b) APPEALS OF INVESTIGATIONS CONDUCTED BY  
24          FURNISHERS OF INFORMATION.—Section 623(a) of the  
25          Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)) is

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

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

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

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

18 “(i) shall identify the information con-  
19 tained in the consumer’s file that is the  
20 subject of the appeal;

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

23 “(iii) may include any information, in-  
24 cluding substantiating documents, the con-  
25 sumer believes is relevant to the appeal.

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

3           “(i) before the end of the period of 3  
4 business days beginning on the date on  
5 which the furnisher receives the notice of  
6 appeal, notify each consumer reporting  
7 agency to which the person furnished such  
8 information a statement identifying the  
9 items of information that a consumer is  
10 appealing; and

11           “(ii) notify the consumer confirming  
12 the receipt of the consumer’s notice of ap-  
13 peal, including an approximate date when  
14 the consumer’s appeal will be completed,  
15 the process and procedures by which a re-  
16 view of the appeal will be conducted, and  
17 the specific individual designated by the  
18 consumer reporting agency who, upon the  
19 request of the consumer, may discuss the  
20 substance and status of the appeal.

21           “(D) FURNISHER REQUIREMENTS UPON  
22 RECEIPT OF NOTICE OF APPEAL.—Not later  
23 than 20 days after receiving a notice of appeal,  
24 the furnisher shall determine whether the item  
25 of information being disputed by the consumer

1 is inaccurate, incomplete, or cannot be verified,  
2 and shall notify the consumer reporting agency  
3 of the determination. If the furnisher cannot  
4 verify the accuracy or completeness of the dis-  
5 puted information, the furnisher shall, before  
6 the end of the 20-day period beginning on the  
7 date on which the furnisher receives notice of  
8 an appeal from the consumer, submit instruc-  
9 tions to the consumer reporting agency that the  
10 item of information being disputed by the con-  
11 sumer should be deleted from the file of the  
12 consumer.

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

17 “(i) shall be assigned an employee ref-  
18 erence number or other employee identifier  
19 that can be used by the consumer to dis-  
20 cuss the appeal with the specific individ-  
21 uals handling the appeal;

22 “(ii) shall have direct authority to re-  
23 solve the dispute that is the subject of the  
24 notice of appeal on behalf of the furnisher  
25 from the review stage to its completion;

1           “(iii) shall meet minimum training  
2           and ongoing certification requirements at  
3           regular intervals, as established by the Bu-  
4           reau;

5           “(iv) may not have been involved in  
6           an investigation conducted pursuant to  
7           paragraph (8); and

8           “(v) may not be subject to any re-  
9           quirements linking incentives, including  
10          promotion, to the number of appeals proc-  
11          essed within a certain time period.

12          “(F) REQUIREMENTS FOR APPEALS PROC-  
13          ESS.—Such employees shall conduct a robust  
14          review of the appeal and make a determination  
15          regarding the accuracy and completeness of the  
16          disputed information by—

17               “(i) conducting an independent anal-  
18               ysis, separate from any reinvestigation by  
19               a reseller or consumer reporting agency, of  
20               the disputed information;

21               “(ii) verifying that the personally  
22               identifiable information related to the dis-  
23               pute is accurate and complete;

24               “(iii) analyzing the notice of appeal  
25               and all information, including substan-

1           tiating documents, provided by the con-  
2           sumer with the notice of appeal;

3           “(iv) evaluating the validity of any in-  
4           formation submitted by any person that  
5           was used by the furnisher in the initial in-  
6           vestigation into the dispute;

7           “(v) verifying that the information  
8           being disputed relates to the consumer in  
9           whose file the information is located;

10          “(vi) verifying that the furnisher has  
11          a record of the information being disputed;  
12          and

13          “(vii) applying any additional factors  
14          or investigative processes, as specified by  
15          the Bureau.

16          “(G) EXTENSION OF REVIEW PERIOD.—If  
17          a consumer submits additional information re-  
18          lated to the appeal after the period of 3 busi-  
19          ness days described in subparagraph (C)(i) and  
20          before the end of the 20-day period described in  
21          subparagraph (D), the furnisher shall have an  
22          additional 10 business days to complete the re-  
23          view of the appeal.

24          “(H) NOTICE OF APPEAL RESULTS.—Not  
25          later than 5 days after the end of the 20-day

1 period described in subparagraph (D) (or the  
2 10-day extension described under subparagraph  
3 (G), as applicable) the furnisher shall provide  
4 the consumer with written notice of the results  
5 of the appeal by mail or, if requested by the  
6 consumer, by other means. The contents of  
7 such notice shall include—

8 “(i) a statement that the appeal is  
9 completed and the date on which it was  
10 completed, the results of the appeal, and  
11 the specific reasons supporting the results  
12 of the appeal;

13 “(ii) a copy of all information relating  
14 to the consumer that was used as a basis  
15 for deciding the results of the appeal;

16 “(iii) if the appeal results in any  
17 change to the consumer report, a notifica-  
18 tion that the consumer shall receive a copy,  
19 free of charge, of a revised consumer re-  
20 port (based upon the consumer’s file as  
21 that file was changed as a result of the ap-  
22 peal) and a credit score or educational  
23 credit score (if applicable) from each con-  
24 sumer reporting agency that had been fur-  
25 nished incorrect information;

1           “(iv) a description of the procedure  
2           used to determine the accuracy and com-  
3           pleteness of the information, including the  
4           business name, telephone number, mailing  
5           address, and Internet website address (if  
6           applicable), of any person who provided in-  
7           formation that was contacted in connection  
8           with such information, if reasonably avail-  
9           able;

10           “(v) information describing that the  
11           consumer may submit a statement, without  
12           charge, disputing the accuracy or com-  
13           pleteness of information in the consumer’s  
14           file that was the subject of an appeal  
15           under this paragraph by submitting a  
16           statement directly to each consumer re-  
17           porting agency that received the informa-  
18           tion; and

19           “(vi) a notification that the consumer  
20           may request the furnisher to submit to  
21           each consumer reporting agency the con-  
22           sumer’s request to furnish notifications  
23           pursuant to section 611(d) (relating to fur-  
24           nishing notifications to certain users of  
25           consumer reports).”.



1           (c) TECHNICAL AMENDMENT.—Section 623(a)(8)(A)  
2 of the Fair Credit Reporting Act (15 U.S.C. 1681s–  
3 2(a)(8)(A)) is amended by striking “reinvestigate” and in-  
4 serting “investigate”.

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

8                   (1) in subsection (c)—

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

11                           (B) in the subsection heading, by striking  
12                           “RIGHTS TO OBTAIN AND DISPUTE INFORMA-  
13                           TION IN CONSUMER REPORTS AND TO OBTAIN  
14                           CREDIT SCORES” and inserting “KEY CON-  
15                           SUMER REPORTING RIGHTS”; and

16                           (C) in paragraph (1)—

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

19                                   (ii) in subparagraph (B)—

20   (I) in clause (ii), by striking “a  
21   consumer report without charge under  
22   section 612” and inserting “consumer  
23   reports and credit scores or edu-  
24   cational credit scores (as applicable)  
25   without charge under section 612”;

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

3 (III) by striking clauses (iv) and  
4 (vi);

5 (IV) by inserting after clause (iii)  
6 the following new clause:

7 “(iv) the right of a consumer to ap-  
8 peal a determination of a reinvestigation  
9 conducted by a consumer reporting agency  
10 under section 611(i) or an investigation  
11 conducted by a furnisher of information  
12 under section 623(a)(10);” and

13 (V) by adding at the end the fol-  
14 lowing new clause:

15 “(vi) the method and circumstances  
16 under which consumers can obtain a 1-  
17 year fraud alert, 7-year fraud alert, active  
18 duty alert, or security freeze as described  
19 in section 605A through a consumer re-  
20 porting agency described under section  
21 603(p).”;

22 (iii) in subparagraph (C) (as amended  
23 by subparagraph (A)) by inserting “and  
24 the Commission” after “Bureau”; and

1 (iv) by adding at the end the following  
2 new subparagraph:

3 “(D) PUBLICATION OF SUMMARY  
4 RIGHTS.—A consumer reporting agency de-  
5 scribed under subsection (p) or (x) of section  
6 603 shall display in a clear and conspicuous  
7 manner, including on the Internet website of  
8 the consumer reporting agency, the summary of  
9 rights prepared by the Bureau under this para-  
10 graph.”; and

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

13 **SEC. 106. REVISED CONSUMER REPORTS.**

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

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

1 **SEC. 107. INDICATION OF DISPUTE BY CONSUMERS AND**  
2 **USE OF DISPUTED INFORMATION.**

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

5 “(f) INDICATION OF DISPUTE.—

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

11 “(A) a consumer disputes the completeness  
12 or accuracy of any item of information con-  
13 tained in a consumer’s file pursuant to section  
14 611(a)(1);

15 “(B) a consumer files with a consumer re-  
16 porting agency an appeal of a reinvestigation  
17 pursuant to section 611(i); or

18 “(C) the consumer reporting agency is no-  
19 tified by a person that furnished any items of  
20 information that are currently in dispute by the  
21 consumer that—

22 “(i) a consumer disputes the com-  
23 pleteness or accuracy of any information  
24 furnished by a person to any consumer re-  
25 porting agency pursuant to paragraph (3)  
26 or (8) of section 623(a); or

1                   “(ii) a consumer submits a notice of  
2                   appeal under section 623(a)(10).

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

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

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

19 **SEC. 108. ACCURACY AND COMPLETENESS REPORT DUTIES**  
20 **FOR CONSUMER REPORTING AGENCIES AND**  
21 **FURNISHERS.**

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

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

1           “(1) IN GENERAL.—In preparing a consumer  
2           report, a consumer reporting agency shall maintain  
3           reasonable procedures to ensure maximum possible  
4           accuracy and completeness of the information con-  
5           cerning the individual to whom the consumer report  
6           relates.

7           “(2) BUREAU RULE TO ASSURE MAXIMUM POS-  
8           SIBLE ACCURACY AND COMPLETENESS WITH CREDIT  
9           REPORTING PRACTICES.—

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

14           “(B) REQUIREMENTS.—In formulating the  
15           rule required under subparagraph (A), the Bu-  
16           reau shall—

17           “(i) develop standards for matching  
18           the personally identifiable information in-  
19           cluded in the consumer’s file with the per-  
20           sonally identifiable information furnished  
21           by the person who provided the informa-  
22           tion to the consumer reporting agency  
23           (hereafter in this subsection referred to as  
24           the ‘furnisher’), including the full name of  
25           a consumer, the date of birth of a con-

1 consumer, the full social security number of a  
2 consumer, and any other information that  
3 the Bureau determines would aid in assur-  
4 ing maximum possible accuracy and com-  
5 pleteness of such consumer reports;

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

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

24 “(iv) establish procedures to require  
25 each consumer reporting agency to review

1 and monitor the quality of information re-  
2 ceived from any source, including informa-  
3 tion from public records, by regularly and  
4 on an ongoing basis comparing the infor-  
5 mation received to the information avail-  
6 able from the original source and ensuring  
7 that the information received is the most  
8 current information;

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

16 “(vi) develop standards and proce-  
17 dures for consumer reporting agencies to  
18 adopt regarding collection of public record  
19 data, including standards and procedures  
20 to consider the ultimate data source, how  
21 the public record information is filed and  
22 its availability and accessibility, and wheth-  
23 er information relating to the satisfaction  
24 of judgments or other updates to the pub-



1           lic record are available on a reasonably  
2           timely basis from a particular source; and

3           “(vii) establish any other factors, pro-  
4           cedures, or processes determined by the  
5           Bureau to be necessary to assist consumer  
6           reporting agencies in achieving maximum  
7           possible accuracy and completeness of the  
8           information in consumer reports.

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

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

18                 “(B) take corrective action, which may in-  
19                 clude—

20                         “(i) mandatory revised training and  
21                         training materials for the staff of the fur-  
22                         nisher regarding the furnishing of accurate  
23                         and complete information;

1 “(ii) sharing industry best practices  
2 and procedures regarding accuracy and  
3 completeness; or

4 “(iii) temporarily prohibiting a fur-  
5 nisher from providing information to a  
6 consumer reporting agency.”.

7 **SEC. 109. INCLUSION OF PUBLIC RECORD DATA SOURCES**  
8 **IN CONSUMER REPORTS.**

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

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

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

20 (a) IN GENERAL.—The Fair Credit Reporting Act  
21 (15 U.S.C. 1681 et seq.) is amended—

22 (1) in section 616—

23 (A) in subsection (a), by amending the  
24 subsection heading to read as follows: “DAM-  
25 AGES”;

1 (B) by redesignating subsections (c) and  
2 (d) as subsections (d) and (e), respectively; and  
3 (C) by inserting after subsection (b) the  
4 following new subsection:

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

14 (2) in section 617—

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

18 (B) by redesignating subsection (b) as sub-  
19 section (c); and

20 (C) by inserting after subsection (a) the  
21 following new subsection:

22 “(b) INJUNCTIVE RELIEF.—In addition to any other  
23 remedy set forth in this section, a court may award injunc-  
24 tive relief to require compliance with the requirements im-  
25 posed under this title with respect to any consumer. In

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

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

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

12 (2) by inserting “negligent, willful, or” before  
13 “knowing”.

## 14 **TITLE II—FREE CREDIT SCORES** 15 **FOR CONSUMERS**

### 16 **SEC. 201. DEFINITIONS.**

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

20 “(bb) CREDIT SCORE AND EDUCATIONAL CREDIT  
21 SCORE DEFINITIONS.—

22 “(1) CREDIT SCORE.—The term ‘credit score’  
23 means a numerical value or a categorization derived  
24 from a statistical tool or modeling system used by a  
25 person who makes or arranges a loan or extends

1 credit to predict the likelihood of certain credit be-  
2 haviors, including default, as determined by the Bu-  
3 reau.

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

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

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

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

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

1 (2) in section 615—

2 (A) by striking “as defined in section  
3 609(f)(2)(A)” each place that term appears;  
4 and

5 (B) in subsection (a)(2)(B), by striking  
6 “set forth in subparagraphs (B) through (E) of  
7 section 609(f)(1)” and inserting “with respect  
8 to a credit score described in section 609(f)(2),  
9 if available” each place that term appears.

10 **SEC. 202. CONSUMER INFORMATION ON CALCULATION OF**  
11 **SCORES.**

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

14 “(f) DISCLOSURE OF CREDIT SCORE AND EDU-  
15 CATIONAL CREDIT SCORE BY CONSUMER REPORTING  
16 AGENCIES.—

17 “(1) IN GENERAL.—Upon the request of a con-  
18 sumer for a credit score or educational credit score,  
19 a consumer reporting agency shall supply to the con-  
20 sumer a statement—

21 “(A) containing—

22 “(i) a current credit score at the time  
23 of the request generated using a commonly  
24 used credit scoring model to generate cred-

1           it scores, subject to regulations of the Bu-  
2           reau;

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

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

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

14                 “(i) the date on which the credit score  
15                 was generated;

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

18                 “(iii) the credit score itself.

19          “(2) REQUIREMENTS.—A statement provided  
20          under clause (i) or (ii) of paragraph (1)(A) shall in-  
21          clude—

22                 “(A) a minimum of 4 key factors, if avail-  
23                 able, that adversely affected the credit score or  
24                 educational credit score, except that if one of  
25                 the key factors consists of the number of

1 enquiries made with respect to a consumer re-  
2 port, that factor shall be provided to the con-  
3 sumer in addition to the factors required by  
4 this subparagraph;

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

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

13 “(D) the range of possible credit scores or  
14 educational credit scores under the credit scor-  
15 ing model used;

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

22 “(i) in the form of a bar graph con-  
23 taining a minimum of 6 bars that illus-  
24 trates the percentage of consumers with  
25 credit scores or educational credit scores



1 within the range of scores represented by  
2 each bar; or

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

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

11 “(G) the name of the person that devel-  
12 oped the credit scoring model on which the  
13 credit score or educational credit score was  
14 based.

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

18 “(A) develop or disclose a credit score if  
19 the agency does not distribute credit scores  
20 used by a person who makes or arranges a loan  
21 or extends credit to predict the likelihood of  
22 certain credit behaviors; or

23 “(B) develop or disclose an educational  
24 credit score if the agency does not develop edu-  
25 cational credit scores that assist in under-

1 standing the general credit behavior of a con-  
2 sumer and predicting the future credit behavior  
3 of the consumer.

4 “(4) MAINTENANCE OF CREDIT SCORES.—

5 “(A) IN GENERAL.—All consumer report-  
6 ing agencies shall maintain in the consumer’s  
7 file credit scores relating to the consumer for a  
8 period of 2 years from the date on which such  
9 information is generated.

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

18 “(C) REMOVAL OF PAST CREDIT  
19 SCORES.—A past credit score maintained in a  
20 consumer’s file pursuant to subparagraph (A)  
21 shall be removed from the consumer’s file after  
22 the end of the 2-year period described under  
23 subparagraph (A).”.

1 **SEC. 203. DISCLOSURES RELATING TO CREDIT SCORES AND**  
2 **EDUCATIONAL CREDIT SCORES.**

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

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

17 **“CREDIT SCORE DISCLAIMER. “**

18 There is no “one” credit score. There are many scor-  
19 ing formulas derived from a wide variety of models avail-  
20 able to a consumer and used by lenders and creditors. Dif-  
21 ferent lenders and creditors use different scoring formulas  
22 to determine whether to extend credit or make a loan to  
23 you, and the terms of the credit or loan. An educational  
24 credit score is not a credit score that a person who makes  
25 a loan or extends credit to you is likely to use. Educational  
26 credit scores are merely intended to be used as an edu-

1 cational tool to help consumers understand how the infor-  
2 mation contained in a consumer report may affect the  
3 terms and conditions of a loan or extension of credit that  
4 may be available to a consumer. Lenders and creditors  
5 may also rely on information not contained in your con-  
6 sumer report and not reflected in the calculation of your  
7 credit score.’.

8 “(6) ADDITIONAL REQUIREMENTS FOR EDU-  
9 CATIONAL CREDIT SCORES.—

10 “(A) DISCLAIMER.—If an educational  
11 credit score is provided pursuant to paragraph  
12 (1), a consumer reporting agency shall clearly  
13 and conspicuously include in a prominent loca-  
14 tion on the statement, in boldface type of 18-  
15 point font or larger, and in a text box with  
16 boldface outer borders, the following notice:

17 “**EDUCATIONAL CREDIT SCORE DISCLAIMER.** “

18 The educational credit score provided to you is not  
19 a credit score that a lender or creditor is likely to use to  
20 make a loan or extend credit to you. There are many dif-  
21 ferent credit scores derived from a wide variety of models  
22 used by lenders and creditors. An educational credit score  
23 is merely an educational tool. It is intended to provide con-  
24 sumers with a basic understanding of how the information  
25 contained in a consumer report may affect the terms and

1 conditions of credit that are available. The credit scores  
2 you receive directly from different lenders and creditors  
3 may not be the same as an educational credit score. There  
4 are a number of reasons for this:

5           “(1) Each company may use a different for-  
6           mula for calculating credit scores and the differences  
7           in the formulas may lead to differences in your  
8           scores.

9           “(2) Companies may produce scores that give  
10          results on different scales.

11          “(3) Not all lenders or creditors report to  
12          every consumer reporting agency, and therefore the  
13          information contained in your consumer report that  
14          the consumer reporting agencies use to calculate  
15          your educational credit score may differ among  
16          agencies.’.

17               “(B) PROHIBITION ON MISLEADING REP-  
18               RESENTATIONS.—A consumer reporting agency  
19               may not refer to an educational credit score as  
20               a credit score in any application, solicitation,  
21               marketing, or other informational materials or  
22               media.

23               “(7) MODIFICATION OF DISCLAIMERS.—The  
24               Bureau may modify the content, format, and man-  
25               ner of the disclaimers required under paragraphs (5)

1 and (6), if warranted, after conducting consumer  
2 testing or research.”.

3 **SEC. 204. FREE CREDIT SCORE DISCLOSURES AND CON-**  
4 **SUMER REPORTS.**

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

7 (1) in subsection (a)—

8 (A) in paragraph (1)—

9 (i) in subparagraph (A), by inserting  
10 after “section 609” the following: “(includ-  
11 ing the disclosure of a credit score or edu-  
12 cational credit score under subsection (f)  
13 of such section)”;

14 (ii) in subparagraph (C)—

15 (I) by striking “Commission”  
16 and inserting “Bureau”; and

17 (II) by inserting “, credit scores,  
18 and educational credit scores (as ap-  
19 plicable)” after “consumer reports”  
20 each place that term appears;

21 (B) in paragraph (2)—

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

1 (ii) by inserting “, credit score, or  
2 educational credit score” after “consumer  
3 report”;

4 (C) in paragraph (3), by inserting “, credit  
5 score, or educational credit score” after “con-  
6 sumer report”; and

7 (D) in paragraph (4), by inserting “, credit  
8 scores, or educational credit scores” after “con-  
9 sumer reports”;

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

14 (3) in subsection (c)—

15 (A) by inserting “(including the disclosure  
16 of a credit score or educational credit score  
17 under subsection (f) of such section)” after  
18 “pursuant to section 609”;

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

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

23 (D) by adding at the end the following new  
24 paragraphs:

1           “(4) has disputed information, or submitted an  
2           appeal of an investigation or reinvestigation of such  
3           information, under section 611 or 623, regardless of  
4           whether the consumer has already received a credit  
5           report, credit score, or educational credit score  
6           under section 611 or 623; or

7           “(5) has had information that was previously  
8           deleted under section 611(a)(5) reinserted into the  
9           consumer’s file, regardless of whether the consumer  
10          has already received a credit report, credit score, or  
11          educational credit score under such section.”;

12          (4) in subsection (d), by inserting “(including  
13          the disclosure of a credit score or educational credit  
14          score under subsection (f) of such section)” after  
15          “section 609”;

16          (5) in subsection (f)(1)—

17                 (A) by striking “reasonable charge” and  
18                 all that follows through “section 609” and in-  
19                 serting “reasonable charge on a consumer for  
20                 providing a consumer report to a consumer”;

21                 (B) by striking subparagraph (B);

22                 (C) by redesignating clauses (i) and (ii) as  
23                 subparagraphs (A) and (B), respectively (and  
24                 conforming the margins accordingly); and



1 (D) in subparagraph (B) (as so redesignated), by striking “disclosure; and” and inserting “disclosure.”; and

2  
3  
4 (6) by adding at the end the following new subsections:

5  
6 “(h) CENTRALIZED SOURCE FOR OBTAINING FREE  
7 COPY OF CONSUMER REPORT AND SCORES.—

8 “(1) NATIONWIDE CONSUMER REPORTING  
9 AGENCIES.—

10 “(A) IN GENERAL.—Not later than 180  
11 days after the date of enactment of this subsection, each consumer reporting agency described under subsection (p) of section 603 shall prominently display on the home page of the agency’s website—

12  
13  
14  
15  
16 “(i) a hyperlink labeled ‘Get Your  
17 Free Annual Credit Reports along with either your Credit Scores or Educational  
18 Credit Scores provided for under Federal  
19 Law’ or substantially similar text, as determined by the Bureau; and

20  
21  
22 “(ii) a disclosure titled ‘Consumer’s  
23 Right to Free Credit Scores, Educational  
24 Credit Scores, and Reports under Federal  
25 Law’ or substantially similar text, as deter-

1                   mined by the Bureau that includes the fol-  
2                   lowing statement:

3            ““All consumers are entitled to obtain a free copy of  
4 their consumer report and credit score or educational cred-  
5 it score annually from each of the nationwide consumer  
6 reporting agencies. Under Federal law, a consumer is enti-  
7 tled to obtain additional free copies of their consumer re-  
8 ports, along with a copy of either the consumer’s credit  
9 score or educational credit score (under certain cir-  
10 cumstances), including:

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

13                   “(2) When a consumer is a recipient of public  
14 welfare assistance.

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

18                   “(4) When a consumer asserts in good faith a  
19 suspicion that the consumer has been or is about to  
20 become a victim of identity theft, fraud, or a related  
21 crime, or harmed by the unauthorized disclosure of  
22 the consumer’s financial or personally identifiable in-  
23 formation.

24                   “(5) 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 ““(6) 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 ““(7) After an adverse action is taken against  
10 a consumer or a consumer receives a risk-based pric-  
11 ing notice.

12 ““(8) 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) HYPERLINK REQUIREMENTS.—The  
17 hyperlink described in subparagraph (A)(i) shall  
18 be prominently located on the top of the home  
19 page and should link directly to the website of  
20 the centralized source established pursuant to  
21 section 211(d) of the Fair and Accurate Credit  
22 Transactions Act of 2003 (15 U.S.C. 1681j  
23 note).

24 ““(C) MODIFICATIONS.—The Bureau may  
25 modify the disclosure described in subparagraph

1 (A)(ii) as necessary to include other cir-  
2 cumstances under which a consumer has the  
3 right to receive a free consumer report, credit  
4 score, or educational credit score.

5 “(2) NATIONWIDE SPECIALTY CONSUMER RE-  
6 PORTING AGENCIES.—

7 “(A) IN GENERAL.—Not later than 180  
8 days after the date of enactment of this sub-  
9 section, each nationwide specialty consumer re-  
10 porting agency shall prominently display on the  
11 Internet home webpage of the agency a disclo-  
12 sure titled ‘Consumer’s Right to Free Con-  
13 sumer Reports and Credit Score or Educational  
14 Credit Score (as applicable) under Federal  
15 Law’. Such disclosure shall include the fol-  
16 lowing statement:

17 “‘Upon request, all consumers are entitled to obtain  
18 a free copy of their consumer report and credit score or  
19 educational credit score (as applicable) during any 12-  
20 month period from each of the nationwide specialty con-  
21 sumer reporting agencies. Federal law also provides fur-  
22 ther circumstances under which a consumer is entitled to  
23 obtain additional free copies of their consumer report and  
24 credit score or educational credit score (as applicable) in-  
25 cluding:

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

3           “(2) When a consumer is a recipient of public  
4 welfare assistance.

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

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

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

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

21           “(7) When a mortgage lender, private edu-  
22 cational lender, indirect auto lender, or motor vehicle  
23 lender obtains and uses a consumer’s reports or  
24 scores for underwriting purposes.’.

1           “(B) MODIFICATIONS.—The Bureau may  
2           modify the disclosure described in subparagraph  
3           (A) as necessary to include other circumstances  
4           under which a consumer has the right to receive  
5           a free consumer report and credit score or edu-  
6           cational credit score (as applicable).

7           “(C) TOLL-FREE TELEPHONE ACCESS.—  
8           The information described in this paragraph  
9           shall also be made available via a toll-free tele-  
10          phone number. Such number shall be promi-  
11          nently displayed on the home page of the  
12          website of each nationwide specialty consumer  
13          reporting agency. Each of the circumstances  
14          under which a consumer may obtain a free con-  
15          sumer report and credit score or educational  
16          credit score (as applicable) shall be presented in  
17          an easily understandable format and consumers  
18          shall be directed to an individual who is a cus-  
19          tomer service representative not later than 2  
20          minutes after the initial phone connection is  
21          made by the consumer. Information provided  
22          through such telephone number shall comply  
23          with the requirements of section 633.

24          “(D) ONLINE CONSUMER REPORTS; EX-  
25          EMPTION.—Upon receipt of a request by a con-

1           sumer for a consumer report, each nationwide  
2           specialty consumer reporting agency shall pro-  
3           vide access to such report electronically on the  
4           Internet website described in section 611(h).

5           “(i) **AUTOMATIC PROVISION OF FREE CONSUMER**  
6 **REPORTS AND CREDIT SCORES OR EDUCATIONAL CREDIT**  
7 **SCORES.**—A consumer reporting agency shall provide to  
8 a consumer a free copy of the file and credit score or edu-  
9 cational credit score of the consumer who—

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

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

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

19 **SEC. 205. PROVISION OF CONSUMER REPORTS AND CREDIT**  
20 **SCORES BY PRIVATE EDUCATIONAL LEND-**  
21 **ERS.**

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

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

3           “(1) IN GENERAL.—If a private educational  
4 lender obtains a copy of any consumer reports or  
5 credit scores and uses such reports or scores in con-  
6 nection with an application of a consumer for a pri-  
7 vate education loan, the private educational lender  
8 shall provide to the consumer, not later than 3 busi-  
9 ness days after obtaining such reports or scores and  
10 before the date on which the consumer enters into  
11 a loan agreement with the private educational lend-  
12 er, a copy of any such reports or scores, along with  
13 the statement described under subsection (f)(2).

14           “(2) COSTS.—None of the costs to the private  
15 educational lender associated with procuring con-  
16 sumer reports or credit scores under this subsection  
17 may be charged, directly or indirectly, to the con-  
18 sumer.

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



1 **SEC. 206. PROVISION OF CONSUMER REPORTS AND CREDIT**  
2 **SCORES BY MOTOR VEHICLE LENDERS OR IN-**  
3 **DIRECT AUTO LENDERS.**

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

8 “(i) DISCLOSURE OF CONSUMER REPORTS AND  
9 CREDIT SCORES USED BY MOTOR VEHICLE LENDERS OR  
10 INDIRECT AUTO LENDERS.—

11 “(1) IN GENERAL.—If a motor vehicle lender or  
12 indirect auto lender obtains a copy of any consumer  
13 reports or credit scores and uses such reports or  
14 scores in connection with an application of a con-  
15 sumer for a motor vehicle loan or lease, the motor  
16 vehicle lender or indirect auto lender shall provide to  
17 the consumer a document, separate from the con-  
18 sumer’s lease or purchase agreement and before the  
19 consumer enters into a lease or purchase agreement,  
20 disclosing any consumer reports and credit scores,  
21 including the statement described in subsection  
22 (f)(2), used by the lender to determine whether to  
23 extend credit to the consumer.

24 “(2) COSTS.—None of the costs to the motor  
25 vehicle lender or indirect auto lender associated with  
26 procuring consumer reports or credit scores under

1       this subsection may be charged, directly or indi-  
2       rectly, to the consumer.

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

10          “(4) DEFINITIONS.—

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

18           “(B) MOTOR VEHICLE LENDER.—The  
19       term ‘motor vehicle lender’ has the meaning  
20       given the term by the Board of Governors of  
21       the Federal Reserve System, and shall include  
22       a person extending a loan made with respect to  
23       a car, boat, motorcycle, recreational vehicle, or  
24       other similar vehicle used primarily for personal  
25       or household purposes.”.

1 **SEC. 207. PROVISION OF CONSUMER REPORTS AND CREDIT**  
2 **SCORES BY RESIDENTIAL MORTGAGE LEND-**  
3 **ERS.**

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

6 (1) by redesignating paragraph (2) as para-  
7 graph (5);

8 (2) in paragraph (1)—

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

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

14 (C) by striking “the following to the con-  
15 sumer as soon as reasonably practicable:” and  
16 inserting “, not later than 3 business days after  
17 using such reports or scores, a document dis-  
18 closing any consumer reports and credit scores  
19 used by the lender to determine whether to ex-  
20 tend credit to the consumer along with the  
21 statement described in subsection (f)(2).”;

22 (D) by striking subparagraphs (A), (B),  
23 (C), (E), and (F);

24 (E) by redesignating subparagraph (D) as  
25 paragraph (3) (and adjusting the margins ac-  
26 cordingly); and

1 (F) by redesignating subparagraph (G) as  
2 paragraph (4) (and adjusting the margins ac-  
3 cordingly);

4 (3) by inserting before paragraph (3) (as so  
5 designated) the following new paragraph:

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

12 (4) in paragraph (3) (as so designated), in the  
13 quoted material—

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

16 (B) by striking “affecting your credit  
17 scores” and inserting “affecting your credit  
18 score or scores”;

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

22 (6) by adding at the end the following new  
23 paragraphs:

24 “(6) ACTIONS NOT REQUIRED.—This subsection  
25 shall not require any person to disclose any credit

1 score or related information obtained by the person  
2 after a loan has closed.

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

## 8 **TITLE III—STUDENT BORROWER** 9 **CREDIT IMPROVEMENT ACT**

### 10 **SEC. 301. REMOVAL OF ADVERSE INFORMATION FOR CER-** 11 **TAIN PRIVATE EDUCATION LOAN BOR-** 12 **ROWERS.**

13 (a) IN GENERAL.—The Fair Credit Reporting Act  
14 (15 U.S.C. 1681 et seq.), as amended by section 405, is  
15 further amended by inserting after section 605D the fol-  
16 lowing new section:

#### 17 **“§ 605E. Credit rehabilitation for distressed private** 18 **education loan borrowers.**

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

1 borrower's original loan agreement or any other repayment  
2 agreement that antedates the original agreement) during  
3 a period of 10 consecutive months on such loan after the  
4 date on which the delinquency or default occurred.

5 “(b) INTERRUPTION OF 10-MONTH PERIOD FOR  
6 CERTAIN CONSUMERS.—

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

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

24 “(B) With respect to a borrower who re-  
25 sides in an area affected by a major disaster or

1 emergency declared under the Robert T. Staf-  
2 ford Disaster Relief and Emergency Assistance  
3 Act, the grace period shall begin on the date on  
4 which the major disaster or emergency was de-  
5 clared and end on the date that is 3 months  
6 after such date.

7 “(2) OTHER CIRCUMSTANCES.—

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

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

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

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

6           “(2) the method for validating that the bor-  
7 rower is satisfying the requirements of subsection  
8 (a);

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

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

13           “(B) the requirements described in sub-  
14 section (d); and

15           “(C) the restrictions described in sub-  
16 section (f);

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

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

21           “(B) the requirements described in sub-  
22 section (d);

23           “(5) the method for verifying whether a bor-  
24 rower qualifies for the grace period described in sub-  
25 section (b);



1           “(6) the manner, content, and form of notifying  
2           a consumer reporting agency and private educational  
3           loan holder that a borrower was granted a grace pe-  
4           riod.

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

17          “(e) ELIMINATION OF BARRIERS TO CREDIT REHA-  
18          BILITATION.—A consumer report in which a private edu-  
19          cational loan holder furnishes the standardized reporting  
20          codes described in subsection (d) to a consumer reporting  
21          agency, or in which a consumer reporting agency includes  
22          such codes, shall be deemed to comply with the require-  
23          ments for accuracy and completeness under sections  
24          607(b), 623(a)(1), and 632.

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 private educational loan holder has been notified,  
7 in accordance with the procedures established by the Bu-  
8 reau pursuant to subsection (c)—

9           “(1) of such borrower’s intent to participate in  
10       rehabilitation;

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

13           “(3) that such borrower was granted a grace  
14       period.

15       “(g) IMPACT ON STATUTE OF LIMITATIONS FOR  
16 PRIOR DEBT.—Payments by a borrower on a private edu-  
17 cation loan that are made during and after a period of  
18 rehabilitation under this section shall have no effect on  
19 the statute of limitations with respect to payments that  
20 were due on such private education loan before the begin-  
21 ning of the period of rehabilitation.

22       “(h) PAYMENT PLANS.—If a private educational loan  
23 holder enters into a payment plan with a borrower on a  
24 private education loan during a period of rehabilitation,

1 such payment plan shall be reasonable and affordable, as  
2 determined by the Bureau.

3 “(i) RULES OF CONSTRUCTION.—

4 “(1) APPLICATION TO SUBSEQUENT DEFAULT  
5 OR DELINQUENCY.—A borrower who satisfies the re-  
6 quirements under subsection (a) shall be eligible for  
7 additional credit rehabilitation described in sub-  
8 section (a) with respect to any subsequent default or  
9 delinquency of the borrower on the rehabilitated pri-  
10 vate education loan.

11 “(2) INTERRUPTION OF CONSECUTIVE PAY-  
12 MENT PERIOD REQUIREMENT.—The grace period de-  
13 scribed in subsection (b)(1)(A) shall not apply if any  
14 regulation promulgated under section 987 of title  
15 10, United States Code (commonly known as the  
16 Military Lending Act), or the Servicemembers Civil  
17 Relief Act (50 U.S.C. App. 501 et seq.) allows for  
18 a grace period or other interruption of the 10-month  
19 period described in subsection (a) and such grace pe-  
20 riod or other interruption is longer than the period  
21 described in subsection (b)(1)(A) or otherwise pro-  
22 vides greater protection or benefit to the borrower  
23 who is a member of the Armed Forces.”.

24 (b) TABLE OF CONTENTS AMENDMENT.—The table  
25 of contents of the Fair Credit Reporting Act, as amended

1 by section 405, is further amended by inserting after the  
2 item relating to section 605D the following new item:

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

3 (c) CONFORMING AMENDMENT.—Section 623(a)(1)  
4 of the Fair Credit Reporting Act (15 U.S.C. 1681s-  
5 2(a)(1)) is amended by striking subparagraph (E).

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

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

11 “(cc) PRIVATE EDUCATION LOAN DEFINITIONS.—  
12 The terms ‘private education loan’ and ‘private edu-  
13 cational lender’ have the meanings given such terms, re-  
14 spectively, in section 140(a) of the Truth in Lending  
15 Act.”.

16 **TITLE IV—CREDIT RESTORA-**  
17 **TION FOR VICTIMS OF PRED-**  
18 **ATORY ACTIVITIES AND UN-**  
19 **FAIR CONSUMER REPORTING**  
20 **PRACTICES**

21 **SEC. 401. ADVERSE CREDIT INFORMATION.**

22 (a) IN GENERAL.—Section 605 of the Fair Credit  
23 Reporting Act (15 U.S.C. 1681e), as amended by sections  
24 107, 109, and 201, is further amended—

1 (1) in subsection (a)—

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

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

6 (C) in paragraph (2), by striking “Civil  
7 suits, civil judgments, and records” and insert-  
8 ing “Records”;

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

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

13 (F) in paragraph (5)—

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

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

18 (G) by adding at the end the following new  
19 paragraphs:

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

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

1           “(A) brought by a private education loan  
2 holder that, from the date of successful comple-  
3 tion of credit restoration or rehabilitation in ac-  
4 cordance with the requirements of section 605D  
5 or 605E, antedates the report by 45 calendar  
6 days; or

7           “(B) brought by a lender with respect to  
8 a covered residential mortgage loan (as defined  
9 in section 605C(b)) that antedates the report  
10 by 45 calendar days.

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

13           “(12) Any other adverse item of information re-  
14 lating to the collection of debt that did not arise  
15 from a contract or an agreement to pay by a con-  
16 sumer, including fines, tickets, and other assess-  
17 ments, as determined by the Bureau, excluding tax  
18 liability.”;

19           (2) by striking subsection (b) and redesignating  
20 subsections (c) through (h) as subsections (b)  
21 through (g), respectively; and

22           (3) in subsection (b) (as so redesignated), by  
23 striking “7-year period referred to in paragraphs (4)  
24 and (6)” and inserting “4-year period referred to in  
25 paragraphs (4) and (5)”.

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

3 (1) in section 616(e) (as redesignated by sec-  
4 tion 110(a)(1)(B)), by striking “section 605(g)”  
5 each place that term appears and inserting “section  
6 605(f)”; and

7 (2) in section 625(b)(5)(A), by striking “section  
8 605(g)” and inserting “section 605(f)”.

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

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

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

21 **SEC. 403. MEDICAL DEBT COLLECTIONS.**

22 (a) REMOVAL OF FULLY PAID OR SETTLED MED-  
23 ICAL DEBT FROM CONSUMER REPORTS.—Section 605(a)  
24 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),

1 as amended by section 402, is further amended by adding  
2 at the end the following new paragraph:

3 “(14) Any other adverse item of information re-  
4 lated to a fully paid or settled debt arising from the  
5 receipt of medical services, products, or devices that  
6 had been characterized as delinquent, charged off, or  
7 in collection which, from the date of payment or set-  
8 tlement, antedates the report by more than 45 cal-  
9 endar days.”.

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

16 “(15) Any information related to a debt arising  
17 from the receipt of medical services, products, or de-  
18 vices, if the date on which such debt was placed for  
19 collection, charged to profit or loss, or subjected to  
20 any similar action antedates the report by less than  
21 365 calendar days.”.

22 (c) PROHIBITION ON REPORTING MEDICALLY NEC-  
23 ESSARY PROCEDURES.—Section 605(a) of the Fair Credit  
24 Reporting Act (15 U.S.C. 1681e(a)), as amended by sub-



1 section (b), is further amended by adding at the end the  
2 following new paragraph:

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

5 (d) TECHNICAL AMENDMENT.—Section 604(g)(1)(C)  
6 of the Fair Credit Reporting Act (15 U.S.C.  
7 1681b(g)(1)(C)) is further amended by striking “devises”  
8 and inserting “devices”.

9 **SEC. 404. CREDIT RESTORATION FOR VICTIMS OF PREDATORY MORTGAGE LENDING AND SERVICING.**

10  
11 (a) IN GENERAL.—The Fair Credit Reporting Act  
12 (15 U.S.C. 1681 et seq.) is amended by inserting after  
13 section 605B the following new section:

14 **“§ 605C. Credit restoration for victims of predatory  
15 mortgage lending**

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 covered residential  
19 mortgage loan (including the origination and servicing of  
20 such a loan, any loss mitigation activities related to such  
21 a loan, and any foreclosure, deed in lieu of foreclosure,  
22 or short sale related to such a loan), if the action or inac-  
23 tion to which the item of information relates—

24 “(1) resulted from an unfair, deceptive, or abu-  
25 sive act or practice, or a fraudulent, discriminatory,

1 or illegal activity of a financial institution, as deter-  
2 mined by the Bureau or a court of competent juris-  
3 diction; or

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

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

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



1        cation loan borrower with respect to a private edu-  
2        cation loan.

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

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

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

1 “(d) PROCEDURES.—The Bureau shall—

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

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

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

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

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

23 “(e) STANDARDIZED REPORTING CODES.—A con-  
24 sumer reporting agency shall develop standardized report-  
25 ing codes for use by private education loan holders to iden-

1 tify and report a qualifying private education loan bor-  
2 rower’s status of a request to remove any adverse informa-  
3 tion relating to any private education loan with respect  
4 to which such consumer is a qualifying private education  
5 loan borrower. A consumer report in which a person fur-  
6 nishes such codes shall be deemed to comply with the re-  
7 quirements for accuracy and completeness required under  
8 sections 607(b), 623(a)(1), and 632. Such codes shall not  
9 appear on any report provided to a third party, and shall  
10 be removed from the consumer’s credit report upon the  
11 successful restoration of the consumer’s credit under this  
12 section.

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

19 “(1) the proprietary educational institution or  
20 career education program—

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

24 “(i) as defined by State law of the  
25 State in which the proprietary educational

1 institution or career education program is  
2 headquartered or maintains or maintained  
3 significant operations; or

4 “(ii) under Federal law;

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

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

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

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

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

5 **SEC. 406. FINANCIAL ABUSE PREVENTION.**

6 (a) IN GENERAL.—The Fair Credit Reporting Act  
7 (15 U.S.C. 1681 et seq.), as amended by section 301, is  
8 further amended by inserting after section 605E the fol-  
9 lowing new section:

10 **“§ 605F. Financial abuse prevention**

11 “For a consumer who is the victim of intentionally  
12 abusive or harmful financial behavior, as determined by  
13 a court of competent jurisdiction including a family court,  
14 juvenile court, or other court with personal jurisdiction,  
15 that was conducted by a spouse, family or household mem-  
16 ber, caregiver, or person with whom such consumer had  
17 a dating relationship in a manner which resulted in the  
18 inclusion of an adverse item of information on the con-  
19 sumer report of the consumer, and the consumer did not  
20 participate in or consent to such behavior, the consumer  
21 may apply to a court of competent jurisdiction, including  
22 a family court, juvenile court, or other court with personal  
23 jurisdiction, for an order to require the removal of such  
24 adverse information from the consumer’s file maintained  
25 by any consumer reporting agency.”.



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

“605F. Financial abuse prevention.”.

5 **SEC. 407. PROHIBITION OF CERTAIN FACTORS RELATED TO**  
6 **FEDERAL CREDIT RESTORATION OR REHA-**  
7 **BILITATION.**

8 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
9 seq.), as amended by section 502, is further amended—  
10 (1) by adding at the end the following new sec-  
11 tion:

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

14 **“(a) RESTRICTION ON CREDIT SCORING MODELS.—**  
15 A credit scoring model may not—

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

22 **“(2) treat negatively, in a manner adverse to a**  
23 **consumer’s credit score or educational credit score,**  
24 **the absence of payment history data for an existing**  
25 **account, whether the account is open or closed,**

1 where the absence of such information is the result  
2 of a consumer's participation in credit restoration or  
3 rehabilitation under section 605C, 605D, or 605E.

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

7 “(1) take into consideration, in a manner ad-  
8 verse to a consumer, any information in a consumer  
9 report concerning the consumer's participation in  
10 credit restoration or rehabilitation under section  
11 605C, 605D, or 605E; or

12 “(2) treat negatively the absence of payment  
13 history data for an existing account, whether the ac-  
14 count is open or closed, where the absence of such  
15 information is the result of a consumer's participa-  
16 tion in credit restoration or rehabilitation under sec-  
17 tion 605C, 605D, or 605E.

18 “(c) ACCURACY AND COMPLETENESS.—If a person  
19 who furnishes information to a consumer reporting agency  
20 requests the removal of information from a consumer re-  
21 port or a consumer reporting agency removes information  
22 from a consumer report in compliance with the require-  
23 ments under section 605C, 605D, or 605E, or such infor-  
24 mation was removed pursuant at section 605(a)(11), such

1 report shall be deemed to satisfy the requirements for ac-  
2 curacy and completeness with respect to such information.

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

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

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

12 “(3) an adverse action made for employment  
13 purposes.”; and

14 (2) in the table of contents for such Act, by in-  
15 sserting after the item relating to section 631 the fol-  
16 lowing new item:

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

## 17 **TITLE V—CLARITY IN CREDIT** 18 **SCORE FORMATION**

### 19 **SEC. 501. CONSUMER BUREAU STUDY AND REPORT TO** 20 **CONGRESS ON THE IMPACT OF NON-TRADI-** 21 **TIONAL DATA.**

22 (a) STUDY.—The Bureau of Consumer Financial  
23 Protection shall carry out a study to assess the impact  
24 (including the availability and affordability of credit and

1 other noncredit decisions, the potential positive and nega-  
2 tive impacts on consumer credit scores, and any unin-  
3 tended consequences) of using traditional modeling tech-  
4 niques or alternative modeling techniques to analyze non-  
5 traditional data from a consumer report and of including  
6 non-traditional data on consumer reports on the following:

7 (1) Consumers with no or minimal traditional  
8 credit history.

9 (2) Traditionally underserved communities and  
10 populations.

11 (3) Consumers residing in rural areas.

12 (4) Consumers residing in urban areas.

13 (5) Racial and ethnic minorities and women.

14 (6) Consumers across various income strata,  
15 particularly consumers earning less than 120 per-  
16 cent of the area median income (as defined by the  
17 Secretary of Housing and Urban Development).

18 (7) Immigrants, refugees, and non-permanent  
19 residents.

20 (8) Minority financial institutions (as defined  
21 under section 308(b) of the Financial Institutions  
22 Reform, Recovery, and Enforcement Act of 1989  
23 (12 U.S.C. 1463 note)) and community financial in-  
24 stitutions.

1           (9) Consumers residing in federally assisted  
2           housing, including consumers receiving Federal rent-  
3           al subsidies.

4           (b) **ADDITIONAL CONSIDERATIONS.**—In assessing  
5           impacts under subsection (a), the Bureau of Consumer Fi-  
6           nancial Protection shall also consider impacts on—

7           (1) the privacy, security, and confidentiality of  
8           the financial, medical, and personally identifiable in-  
9           formation of consumers;

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

12          (3) the understanding of consumers of how  
13          such information may be used or considered and the  
14          ease with which a consumer may decide to restrict  
15          or prohibit such use or consideration of such infor-  
16          mation;

17          (4) potential discriminatory effects; and

18          (5) disparate outcomes the use or consideration  
19          of such information may cause.

20          (c) **CONSIDERATION OF RECENT GOVERNMENT**  
21          **STUDIES.**—In assessing impacts under subsection (a), the  
22          Bureau of Consumer Financial Protection shall also con-  
23          sider recent Government studies on alternative data, in-  
24          cluding—

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

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

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

17          (e) DEFINITIONS.—In this section:

18               (1) ALTERNATIVE MODELING TECHNIQUES.—  
19               The term “alternative modeling techniques” means  
20               statistical and mathematical techniques that are not  
21               traditional modeling techniques, including decision  
22               trees, random forests, artificial neural networks,  
23               nearest neighbor, genetic programming, and boost-  
24               ing algorithms.

1           (2) CONSUMER REPORT.—The term “consumer  
2       report” has the meaning given such term in section  
3       603 of the Fair Credit Reporting Act (15 U.S.C.  
4       1681a).

5           (3) NON-TRADITIONAL DATA.—The term “non-  
6       traditional data” means data related to tele-  
7       communications, utility payments, rent payments,  
8       remittances, wire transfers, data not otherwise regu-  
9       larly included in consumer reports issued by con-  
10      sumer reporting agencies described under section  
11      603(p), and such other items as the Bureau of Con-  
12      sumer Financial Protection deems appropriate.

13          (4) TRADITIONAL MODELING TECHNIQUES.—  
14      The term “traditional modeling techniques” means  
15      statistical and mathematical techniques (including  
16      models, algorithms, linear and logistic regression  
17      methods, and their outputs) that are traditionally  
18      used in automated underwriting processes.

19   **SEC. 502. CONSUMER BUREAU OVERSIGHT OF CREDIT**  
20                           **SCORING MODELS.**

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

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

1 **“§ 631. Credit scoring models**

2       “(a) VALIDATED CREDIT SCORING MODELS.—Not  
3 later than 1 year after the date of the enactment of this  
4 section, the Bureau shall (in consultation with the Board  
5 of Governors of the Federal Reserve System, the Comp-  
6 troller of the Currency, the Board of Directors of the Fed-  
7 eral Deposit Insurance Corporation, and the National  
8 Credit Union Administration Board) issue final regula-  
9 tions applicable to any person that creates, maintains, uti-  
10 lizes, or purchases credit scoring models used in making  
11 credit decisions to establish standards for validating the  
12 accuracy and predictive value of all such credit scoring  
13 models, both before release for initial use and at regular  
14 intervals thereafter, for as long as such credit scoring  
15 models are made available for purchase or use by such  
16 person.

17       “(b) PROHIBITION.—At least once every 2 years, the  
18 Bureau shall conduct a review of credit scoring models to  
19 determine whether the use of any particular factors, or  
20 the weight or consideration given to certain factors by  
21 credit scoring models, is inappropriate, including if such  
22 factors do not enhance or contribute to the accuracy and  
23 predictive value of the models. Upon the conclusion of its  
24 review, the Bureau may prohibit a person described in  
25 subsection (a) from weighing, considering, or including  
26 certain factors in, or making available for purchase or use,



1 certain credit scoring models or versions, as the Bureau  
2 determines appropriate.”; and

3 (2) in the table of contents for such Act, as  
4 amended by section 701, by adding after the item  
5 relating to section 630 the following new item:

“631. Credit scoring models.”.

6 **TITLE VI—RESTRICTIONS ON**  
7 **CREDIT CHECKS FOR EM-**  
8 **PLOYMENT DECISIONS**

9 **SEC. 601. PROHIBITION ON THE USE OF CREDIT INFORMA-**  
10 **TION FOR MOST EMPLOYMENT DECISIONS.**

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

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

16 (2) in subsection (b)—

17 (A) in paragraph (1)—

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

22 (ii) in subparagraph (A), by redesign-  
23 ating clauses (i) and (ii) as subclauses (I)  
24 and (II), respectively (and conforming the  
25 margins accordingly);

1 (iii) by redesignating subparagraphs  
2 (A) and (B) as clauses (i) and (ii), respec-  
3 tively (and conforming the margins accord-  
4 ingly);

5 (iv) by striking the period at the end  
6 of clause (ii) (as so redesignated) and in-  
7 serting “; and”;

8 (v) by striking “agency may furnish”  
9 and inserting “agency—  
10 “(A) may furnish”; and

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

13 “(B) except as provided in paragraph (5),  
14 may not furnish a consumer report for employ-  
15 ment purposes with respect to any consumer in  
16 which any information contained in the report  
17 bears on the consumer’s creditworthiness, credit  
18 standing, or credit capacity.”; and

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

21 “(5) REQUIREMENTS FOR CONSUMER REPORTS  
22 BEARING ON THE CONSUMER’S CREDITWORTHINESS,  
23 CREDIT STANDING, OR CREDIT CAPACITY.—

24 “(A) IN GENERAL.—A person may use a  
25 consumer report for employment purposes with

1           respect to any consumer in which any informa-  
2           tion contained in the report bears on the con-  
3           sumer's creditworthiness, credit standing, or  
4           credit capacity only if—

5                   “(i) either—

6                           “(I) the person is required to ob-  
7                           tain the report by a Federal, State, or  
8                           local law or regulation; or

9                           “(II) the information contained  
10                          in the report is being used with re-  
11                          spect to a national security investiga-  
12                          tion (as defined in paragraph (4)(D));

13                          “(ii) none of the cost associated with  
14                          obtaining the consumer report will be  
15                          passed on to the consumer to whom the re-  
16                          port relates; and

17                          “(iii) the information contained in the  
18                          consumer report will not be disclosed to  
19                          any other person other than—

20                                  “(I) in an aggregate format that  
21                                  protects a consumer's personally iden-  
22                                  tifiable information; or

23                                  “(II) as may be necessary to  
24                                  comply with any applicable Federal,

1 State, or local equal employment op-  
2 portunity law or regulation.

3 “(B) DISCLOSURES.—A person who pro-  
4 cures, or causes to be procured, a consumer re-  
5 port described in subparagraph (A) for employ-  
6 ment purposes shall, in the disclosure made  
7 pursuant to paragraph (2), include—

8 “(i) an explanation that a consumer  
9 report is being obtained for employment  
10 purposes;

11 “(ii) the reasons for obtaining such a  
12 report; and

13 “(iii) the citation to the applicable  
14 Federal, State, or local law or regulation  
15 described in subparagraph (A)(i)(I).

16 “(C) ADVERSE ACTIONS.—In using a con-  
17 sumer report described in subparagraph (A) for  
18 employment purposes and before taking an ad-  
19 verse action based in whole or in part on the re-  
20 port, the person intending to take such adverse  
21 action shall, in addition to the information de-  
22 scribed in paragraph (3), provide to the con-  
23 sumer to whom the report relates—

24 “(i) the name, address, and telephone  
25 number of the consumer reporting agency

1 that furnished the report (including, for a  
2 consumer reporting agency that compiles  
3 and maintains files on consumers on a na-  
4 tionwide basis, a toll-free telephone number  
5 established by such agency);

6 “(ii) the date on which the report was  
7 furnished; and

8 “(iii) the specific factors from the re-  
9 port upon which the adverse action (as de-  
10 fined in section 603(k)(1)(B)(ii)) was  
11 based.

12 “(D) NATIONAL SECURITY INVESTIGA-  
13 TIONS.—The requirements of paragraph (4)  
14 shall apply to a consumer report described  
15 under subparagraph (A).

16 “(E) NON-CIRCUMVENTION.—With respect  
17 to a consumer report in which any information  
18 contained in the report bears on the consumer’s  
19 creditworthiness, credit standing, or credit ca-  
20 pacity, if a person is prohibited from using the  
21 consumer report pursuant to subparagraph (A),  
22 such person may not, directly or indirectly, ei-  
23 ther orally or in writing, require, request, sug-  
24 gest, or cause any employee or prospective em-

1            ployee to submit such information to the person  
2            as a condition of employment.

3            “(F) NON-WAIVER.—A consumer may not  
4            waive the requirements of this paragraph with  
5            respect to a consumer report.

6            “(6) RULE OF CONSTRUCTION.—Nothing in  
7            this subsection shall be construed to require a con-  
8            sumer reporting agency to prevent a Federal, State,  
9            or local law enforcement agency from accessing in-  
10           information in a consumer report to which the law en-  
11           forcement agency could otherwise obtain access.”.

12           (b) TECHNICAL AMENDMENT.—The Fair Credit Re-  
13           porting Act (15 U.S.C. 1681 et seq.) is amended by strik-  
14           ing “section 604(b)(4)(E)(i)” each place such term ap-  
15           pears and inserting “section 604(b)(4)(D)(i)”.

16           (c) RULE OF CONSTRUCTION.—The amendments  
17           made by this Act may not be construed as limiting the  
18           ability of a person to use non-financial or non-credit re-  
19           lated consumer report information.

1 **TITLE VII—PROHIBITION ON**  
2 **MISLEADING AND UNFAIR**  
3 **CONSUMER REPORTING**  
4 **PRACTICES**

5 **SEC. 701. PROHIBITION ON AUTOMATIC RENEWALS FOR**  
6 **PROMOTIONAL CONSUMER REPORTING AND**  
7 **CREDIT SCORING PRODUCTS AND SERVICES.**

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

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

12 **“§ 630. Promotional periods**

13 “(a) **TERMINATION NOTICE.**—With respect to any  
14 product or service related to a consumer report or a credit  
15 score that is provided to a consumer under promotional  
16 terms, the seller or provider of such product or service  
17 shall provide clear and conspicuous notice to the consumer  
18 within a reasonable period of time before the promotional  
19 period ends.

20 “(b) **OPT-IN.**—With respect to any such product or  
21 service, the seller or provider may not continue to sell or  
22 provide such product or service to the consumer after the  
23 end of the promotional period unless the consumer specifi-  
24 cally agrees at the end of the promotional period to con-  
25 tinue receiving the product or service.”; and

1 (2) in the table of contents for such Act, by in-  
2 sserting after the item relating to section 629 the fol-  
3 lowing new item:

“630. Promotional periods.”.

4 **SEC. 702. PROHIBITION ON MISLEADING AND DECEPTIVE**  
5 **MARKETING RELATED TO THE PROVISION OF**  
6 **CONSUMER REPORTING AND CREDIT SCOR-**  
7 **ING PRODUCTS AND SERVICES.**

8 Section 609 of the Fair Credit Reporting Act (15  
9 U.S.C. 1681g), as amended by section 206, is further  
10 amended—

11 (1) in subsection (a)—

12 (A) in paragraph (1)—

13 (i) by striking “request, except” and  
14 all that follows through “consumer to  
15 whom” and inserting “request, unless the  
16 consumer to whom”;

17 (ii) by striking “disclosure; and” and  
18 inserting “disclosure.”; and

19 (iii) by striking subparagraph (B);  
20 and

21 (B) in paragraph (6), by inserting “or edu-  
22 cational credit score (if applicable) under sub-  
23 section (f) or section 612” before the period at  
24 the end; and



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

3           “(j) DISCLOSURES ON PRODUCTS AND SERVICES.—  
4           The Bureau, in consultation with the Federal Trade Com-  
5           mission, shall issue regulations within 18 months of the  
6           date of the enactment of this subsection requiring each  
7           consumer reporting agency and reseller to clearly and con-  
8           spicuously disclose all material terms and conditions, in-  
9           cluding any fee and pricing information associated with  
10          any products or services offered, advertised, marketed, or  
11          sold to consumers by the agency or reseller. Such disclo-  
12          sures shall be made in all forms of communication to con-  
13          sumers and displayed prominently on the agency or re-  
14          seller’s website and all other locations where products or  
15          services are offered, advertised, marketed, or sold to con-  
16          sumers.”.

17       **SEC. 703. PROHIBITION ON EXCESSIVE DIRECT-TO-CON-**  
18                               **SUMER SALES.**

19          The Fair Credit Reporting Act (15 U.S.C. 1681 et  
20          seq.), as amended by section 407, is further amended—

21               (1) by adding after section 632 the following  
22          new section:

1 **“§ 633. Fair and reasonable fees for products and**  
2 **services**

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

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

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

10 **SEC. 704. FAIR ACCESS TO CONSUMER REPORTING AND**  
11 **CREDIT SCORING DISCLOSURES FOR NON-**  
12 **NATIVE ENGLISH SPEAKERS AND THE VIS-**  
13 **UALLY AND HEARING IMPAIRED.**

14 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
15 seq.), as amended by section 903, is further amended—

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

18 **“§ 635. Fair access to information for nonnative**  
19 **English speakers and the visually and**  
20 **hearing impaired**

21 “(a) IN GENERAL.—Not later than 180 days after  
22 the date of the enactment of this section, the Bureau shall  
23 issue a rule to require consumer reporting agencies and  
24 persons who furnish information to consumer reporting

1 agencies under this title, to the maximum extent reason-  
2 ably practicable—

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

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

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

11 “(2) to ensure that—

12 “(A) customer service representatives, in-  
13 cluding employees assigned to handle disputes  
14 or appeals under sections 611 and 623, who are  
15 available to assist consumers are highly familiar  
16 with the requirements of this title;

17 “(B) such representatives are available  
18 during regular business hours and outside of  
19 regular business hours, including evenings and  
20 weekends; and

21 “(C) at least one among such representa-  
22 tives is fluent in each of the 10 most commonly  
23 spoken languages, other than English, in the  
24 United States, as determined by the Bureau of  
25 the Census on an ongoing basis.

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

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

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

8 **SEC. 705. COMPARISON SHOPPING FOR LOANS WITHOUT**  
9 **HARM TO CREDIT STANDING.**

10 Section 605 of the Fair Credit Reporting Act (15  
11 U.S.C. 1681e), as amended by section 401, is further  
12 amended by adding at the end the following new sub-  
13 section:

14 “(h) ENCOURAGING COMPARISON SHOPPING FOR  
15 LOANS.—

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

22 “(2) DEFINITION OF ENQUIRIES OF THE SAME  
23 TYPE.—With respect to multiple enquiries made to  
24 a consumer reporting agency for a consumer report

1 or credit score with respect to a consumer, such  
2 enquiries are ‘of the same type’ if the consumer re-  
3 porting agency has reason to believe that the  
4 enquiries are all made for the purpose of deter-  
5 mining the consumer’s creditworthiness for an exten-  
6 sion of credit described in one of the following:

7 “(A) A covered residential mortgage loan  
8 (as defined in section 605C).

9 “(B) A motor vehicle loan or lease (as de-  
10 scribed in section 609(i)).

11 “(C) A private education loan.

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

14 **SEC. 706. NATIONWIDE CONSUMER REPORTING AGENCIES**  
15 **REGISTRY.**

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

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

20 **“§ 636. Nationwide consumer reporting agencies reg-  
21 istry**

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

1 (x) of section 603 (and any other agencies the Bureau de-  
2 termines provide similar services to such consumer report-  
3 ing agencies) that includes current contact information of  
4 each such agency, including the Internet website address  
5 of the Internet website described under section 611(h),  
6 and information on how consumers can obtain their con-  
7 sumer report, credit scores, or educational credit scores  
8 (as applicable) by toll-free telephone, postal mail, or elec-  
9 tronic means.

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

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

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

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

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

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

1 (2) in the table of contents for such Act by add-  
2 ing at the end the following new item:

“636. Nationwide consumer reporting agencies registry.”.

3 **TITLE VIII—PROTECTIONS**  
4 **AGAINST IDENTITY THEFT,**  
5 **FRAUD, OR A RELATED**  
6 **CRIME**

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

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

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

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

22 “(B)(i) that alleges an identity theft,  
23 fraud, or a related crime, or alleges harm from  
24 the unauthorized disclosure of the consumer’s  
25 financial or personally identifiable information;

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

7           “(iii) the filing of which subjects the per-  
8           son filing the report to criminal penalties relat-  
9           ing to the filing of false information if the in-  
10          formation in the report is actually false.”.

11 **SEC. 802. AMENDMENT TO PROTECTION FOR FILES AND**  
12                   **CREDIT RECORDS OF PROTECTED CON-**  
13                   **SUMERS.**

14           (a) AMENDMENT TO DEFINITION OF “FILE”.—Sec-  
15          tion 603(g) of the Fair Credit Reporting Act (15 U.S.C.  
16          1681a(g)) is amended by inserting “, except that such  
17          term excludes a record created pursuant to section  
18          605A(j)” after “stored”.

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

22                   (1) in paragraph (1)—

23                           (A) in subparagraph (B)(ii), by striking  
24                           “an incapacitated person or a protected person”  
25                           and inserting “a person”; and



1 (B) by amending subparagraph (E) to read  
2 as follows:

3 “(E) The term ‘security freeze’—

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

6 “(ii) with respect to a protected con-  
7 sumer for whom the consumer reporting  
8 agency does not have a file, means a  
9 record that is subject to a security freeze  
10 that a consumer reporting agency is pro-  
11 hibited from disclosing to any person re-  
12 questing the consumer report for the pur-  
13 pose of opening a new account involving  
14 the extension of credit.”; and

15 (2) in paragraph (4)(D), by striking “a pro-  
16 tected consumer or a protected consumer’s rep-  
17 resentative under subparagraph (A)(i)” and insert-  
18 ing “a protected consumer described under subpara-  
19 graph (A)(ii) or a protected consumer’s representa-  
20 tive”.

21 **SEC. 803. ENHANCEMENT TO FRAUD ALERT PROTECTIONS.**

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

24 (1) in subsection (a)—

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

3 (B) in paragraph (1)—

4 (i) in the paragraph heading, by strik-  
5 ing “INITIAL ALERTS” and inserting “IN  
6 GENERAL”;

7 (ii) by inserting “or has been or is  
8 about to be harmed by the unauthorized  
9 disclosure of the consumer’s financial or  
10 personally identifiable information,” after  
11 “identity theft,”;

12 (iii) in subparagraph (A)—

13 (I) by inserting “(which period  
14 may be extended upon request of the  
15 consumer or such representative)”  
16 after “1 year”; and

17 (II) by striking “and” at the end;

18 (iv) in subparagraph (B)—

19 (I) by inserting “1-year” before  
20 “fraud alert”; and

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

23 (v) by adding at the end the following  
24 new subparagraph:

1           “(C) upon the expiration of the period de-  
2           scribed in subparagraph (A) or any extension of  
3           such period, and in response to a direct request  
4           by the consumer or such representative, con-  
5           tinue the fraud alert for a period of 1 addi-  
6           tional year if the information asserted in this  
7           paragraph remains applicable.”; 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”;

12          (ii) by inserting “1-year” before  
13          “fraud alert”;

14          (iii) in subparagraph (A), by inserting  
15          “and credit score or educational credit  
16          score” after “file”; and

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

22          (2) in subsection (b)—

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

25          (B) in paragraph (1)—

1 (i) in subparagraph (A), by inserting  
2 “(which period may be extended upon re-  
3 quest of the consumer or such representa-  
4 tive)”;

5 (ii) in subparagraph (B)—

6 (I) by striking “the 5-year period  
7 beginning on the date of such re-  
8 quest” and inserting “such 7-year pe-  
9 riod (including any extension of such  
10 period)”; and

11 (II) by striking “and” at the end;

12 (iii) in subparagraph (C)—

13 (I) by striking “extended” and  
14 inserting “7-year”; and

15 (II) by striking the period at the  
16 end and inserting “; and”; and

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

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

1 (C) in paragraph (2)—

2 (i) in the paragraph heading, by in-  
3 sserting “AND CREDIT OR EDUCATIONAL  
4 CREDIT SCORES” after “REPORTS”; and

5 (ii) by amending subparagraph (A) to  
6 read as follows:

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

16 (3) in subsection (c)—

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

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

23 (C) by striking “Upon the direct request”  
24 and inserting:

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

2 and

3 (D) by adding at the end the following new  
4 paragraph:

5 “(2) ACCESS TO FREE REPORTS AND CREDIT  
6 OR EDUCATIONAL CREDIT SCORES.—If a consumer  
7 reporting agency includes an active duty alert in the  
8 file of an active duty military consumer, the con-  
9 sumer reporting agency shall—

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

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

1           (4) by amending subsection (d) to read as fol-  
2           lows:

3           “(d) PROCEDURES.—Each consumer reporting agen-  
4           cy described in section 603(p) shall include on the  
5           webpage required under subsection (i) policies and proce-  
6           dures to comply with this section, including policies and  
7           procedures—

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

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

16          “(3) for asserting in good faith a suspicion that  
17          the consumer has been or is about to become a vic-  
18          tim of identity theft, fraud, or a related crime, or  
19          harmed by the unauthorized disclosure of the con-  
20          sumer’s financial or personally identifiable informa-  
21          tion, for a consumer seeking a 1-year fraud alert or  
22          security freeze.”;

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

1           (6) in subsection (f), by striking “or active duty  
2 alert” and inserting “active duty alert, or security  
3 freeze (as applicable)”;

4           (7) in subsection (g)—

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

12           (B) by inserting “or security freezes” after  
13 “request alerts”;

14           (8) in subsection (h)—

15           (A) in paragraph (1)—

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

18           (ii) by striking “initial” and inserting  
19 “1-year” each place such term appears;  
20 and

21           (B) in paragraph (2)—

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



1 (ii) by striking “extended” and insert-  
2 ing “7-year” each place such term appears;  
3 and  
4 (9) in subsection (i)(4)—  
5 (A) by striking subparagraphs (E) and (I);  
6 and  
7 (B) by redesignating subparagraphs (F),  
8 (G), (H), and (J) as subparagraphs (E), (F),  
9 (G), and (H), respectively.

10 **SEC. 804. AMENDMENT TO SECURITY FREEZES FOR CON-**  
11 **SUMER REPORTS.**

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

14 (1) by amending the subsection heading to read  
15 as follows: “SECURITY FREEZES FOR CONSUMER  
16 REPORTS”;

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

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

23 “(7) RELATION TO STATE LAW.—This sub-  
24 section does not modify or supersede the laws of any  
25 State relating to security freezes or other similar ac-

1 tions, except to the extent those laws are incon-  
2 sistent with any provision of this title, and then only  
3 to the extent of the inconsistency. For purposes of  
4 this subsection, a term or provision of a State law  
5 is not inconsistent with the provisions of this sub-  
6 section if the term or provision affords greater pro-  
7 tection to the consumer than the protection provided  
8 under this subsection as determined by the Bu-  
9 reau.”.

10 (b) AMENDMENT TO WEBPAGE REQUIREMENTS.—  
11 Section 605A(i)(6)(A) of the Fair Credit Reporting Act  
12 (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

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

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

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

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

22 “(A) A person, or the person’s subsidiary,  
23 affiliate, agent, subcontractor, or assignee with  
24 whom the consumer has, or prior to assignment  
25 had, an authorized account, contract, or debtor-

1 creditor relationship for the purposes of review-  
2 ing the active account or collecting the financial  
3 obligation owed on the account, contract, or  
4 debt.”.

5 (e) EFFECTIVE DATE.—The amendments made by  
6 subsection (a) shall take effect on the date of the enact-  
7 ment of this Act.

8 **SEC. 805. CLARIFICATION OF INFORMATION TO BE IN-**  
9 **CLUDED WITH AGENCY DISCLOSURES.**

10 Section 609(c)(2) of the Fair Credit Reporting Act  
11 (15 U.S.C. 1681g(c)(2)) is amended—

12 (1) in subparagraph (B)—

13 (A) by striking “consumer reporting agen-  
14 cy described in section 603(p)” and inserting  
15 “consumer reporting agency described in sub-  
16 section (p) or (x) of section 603”;

17 (B) by striking “the agency” and inserting  
18 “such an agency”; and

19 (C) by inserting “and an Internet website  
20 address” after “hours”; and

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

1 **SEC. 806. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**  
2 **TIMS.**

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

5 (1) in paragraph (1)—

6 (A) by striking “resulting from identity  
7 theft”;

8 (B) by striking “claim of identity theft”  
9 and inserting “claim of fraudulent activity”;  
10 and

11 (C) by striking “any transaction alleged to  
12 be a result of identity theft” and inserting “any  
13 fraudulent transaction”;

14 (2) in paragraph (2)(B)—

15 (A) by striking “identity theft, at the elec-  
16 tion of the business entity” and inserting  
17 “fraudulent activity”;

18 (B) by amending clause (i) to read as fol-  
19 lows:

20 “(i) a copy of an identity theft report;  
21 or”; and

22 (C) by amending clause (ii) to read as fol-  
23 lows:

24 “(ii) an affidavit of fact that is ac-  
25 ceptable to the business entity for that  
26 purpose.”;

1           (3) in paragraph (3), by striking “identity  
2 theft” and inserting “fraudulent activity”;

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

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

9 **SEC. 807. REQUIRED BUREAU TO SET PROCEDURES FOR**  
10 **REPORTING IDENTITY THEFT, FRAUD, AND**  
11 **OTHER RELATED CRIME.**

12       Section 621(f)(2) of the Fair Credit Reporting Act  
13 (15 U.S.C. 1681s(f)(2)) is amended—

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

17           (2) by striking “The Commission” and insert-  
18 ing “The Bureau”;

19           (3) by striking “model form” and inserting  
20 “standardized affidavit”;

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

1           (5) by striking “fraud.” and inserting “identity  
2           theft, fraud, or other related crime. Such standard-  
3           ized affidavit and procedures shall not include a re-  
4           quirement that a consumer obtain a police report.”.

5   **SEC. 808. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**  
6                           **TORING AND IDENTITY THEFT PROTECTION**  
7                           **SERVICES FOR CERTAIN CONSUMERS.**

8           (a) ENFORCEMENT OF CREDIT MONITORING FOR  
9   SERVICEMEMBERS.—

10           (1) IN GENERAL.—Subsection (k) of section  
11           605A (15 U.S.C. 1681c–1(a)) is amended by strik-  
12           ing paragraph (4).

13           (2) EFFECTIVE DATE.—This subsection and the  
14           amendment made by this subsection shall take effect  
15           on the date of the enactment of this Act.

16           (b) FREE CREDIT MONITORING AND IDENTITY  
17   THEFT PROTECTION SERVICES FOR CERTAIN CON-  
18   SUMERS.—Subsection (k) of section 605A (15 U.S.C.  
19   1681c–1), is amended to read as follows:

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

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

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

8 “(2) FEES.—

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

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

19 “(i) asserts in good faith a suspicion  
20 that the consumer has been or is about to  
21 become a victim of identity theft, fraud, or  
22 a related crime, or harmed by the unau-  
23 thorized disclosure of the consumer’s fi-  
24 nancial or personally identifiable informa-  
25 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. 809. 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 403, is further  
18 amended by adding at the end the following:

19           “(17) 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 **SEC. 903. 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(a)) is  
5 amended—

6 (1) in subsection (a)—

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

9 “(1) Many financial and non-financial decisions af-  
10 fecting consumers’ lives depend upon fair, complete, and  
11 accurate credit reporting. Inaccurate and incomplete cred-  
12 it reports directly impair the efficiency of the financial sys-  
13 tem and undermine the integrity of using credit reports  
14 in other circumstances, and unfair credit reporting and  
15 credit scoring methods undermine the public confidence  
16 which is essential to the continued functioning of the fi-  
17 nancial services system and the provision of many other  
18 consumer products and services.”; and

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

22 (2) in subsection (b)—

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

25 “The purpose of this title is the following:

26 “(1) To require”; and

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

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

5 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE  
6 PUBLIC INTEREST.—

7 The Fair Credit Reporting Act (15 U.S.C. 1681  
8 et seq.), as amended by section 703, is further  
9 amended—

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

12 **“§ 634. 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

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

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

