

106TH CONGRESS
1ST SESSION

H. R. 3408

To amend the Fair Credit Reporting Act to exempt certain investigative reports from the definition of consumer report, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 1999

Mr. SESSIONS introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To amend the Fair Credit Reporting Act to exempt certain investigative reports from the definition of consumer report, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Credit Reporting
5 Amendments Act of 1999”.

6 **SEC. 2. CERTAIN INVESTIGATIVE REPORTS EXCLUDED**
7 **FROM DEFINITION OF CONSUMER REPORT.**

8 (a) IN GENERAL.—Section 603(d)(2)(A) of the Fair
9 Credit Reporting Act (15 U.S.C. 1681a(d)(2)(A)) is
10 amended—

1 (1) by striking “or” at the end of clause (ii);
2 and

3 (2) by inserting after clause (iii) the following
4 new clauses:

5 “(iv) report, subject to section 609(d),
6 prepared by an employee or agent of a con-
7 sumer’s employer solely for the purpose of
8 investigating allegations of drug use or
9 sales, violence, sexual harassment, employ-
10 ment discrimination, job safety or health
11 violations, criminal activity including theft,
12 embezzlement, sabotage, arson, patient or
13 elder abuse, child abuse, or other violations
14 of law; or

15 “(v) report prepared in connection
16 with litigation, anticipation of litigation,
17 due diligence, investigation of insurance
18 claims, civil and criminal fraud, failure to
19 pay child support, or any other violations
20 of law;”.

21 (b) DISCLOSURES TO CONSUMER.—Section 609 of
22 the Fair Credit Reporting Act (15 U.S.C. 1681g) is
23 amended by adding at the end the following new sub-
24 section:

1 “(d) CONDITIONS ON USE FOR ADVERSE ACTIONS.—

2 With respect to any report described in section

3 603(d)(2)(A)(iv) relating to an employee—

4 “(1) before taking any adverse action based in

5 whole or in part on such report, the person intend-

6 ing to take such adverse action shall disclose to the

7 employee the nature and substance of the informa-

8 tion in the report on which the proposed adverse ac-

9 tion is based; and

10 “(2) if any action is brought by the employee,

11 the information in the report shall be available to

12 the plaintiff under appropriate discovery procedures

13 of the court in which such action is brought.”.

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