

115TH CONGRESS
2D SESSION

S. 3351

To amend the Fair Credit Reporting Act to institute a 180-day waiting period before medical debt will be reported on a consumer's credit report and to remove paid-off and settled medical debts from credit reports that have been fully paid or settled, to amend the Fair Debt Collection Practices Act to provide a timetable for verification of medical debt and to increase the efficiency of credit markets with more perfect information, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 16, 2018

Mr. MERKLEY (for himself, Mr. BLUMENTHAL, Mrs. FEINSTEIN, Ms. WARREN, Mr. DURBIN, Mr. MENENDEZ, and Ms. HASSAN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Fair Credit Reporting Act to institute a 180-day waiting period before medical debt will be reported on a consumer's credit report and to remove paid-off and settled medical debts from credit reports that have been fully paid or settled, to amend the Fair Debt Collection Practices Act to provide a timetable for verification of medical debt and to increase the efficiency of credit markets with more perfect information, 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 “Medical Debt Relief
 5 Act of 2018”.

6 **SEC. 2. AMENDMENTS TO FAIR CREDIT REPORTING ACT.**

7 (a) MEDICAL DEBT DEFINED.—

8 (1) IN GENERAL.—Section 603 of the Fair
 9 Credit Reporting Act (15 U.S.C. 1681a) is amended
 10 by adding at the end the following:

11 “(z) MEDICAL DEBT.—The term ‘medical debt’
 12 means a debt described in section 604(g)(1)(C).”.

13 (2) TECHNICAL AND CONFORMING AMEND-
 14 MENTS.—On the date described in section 302(e) of
 15 the Economic Growth, Regulatory Relief, and Con-
 16 sumer Protection Act (Public Law 115–174), sub-
 17 section (z) of section 603 of the Fair Credit Report-
 18 ing Act (15 U.S.C. 1681a), as added by paragraph
 19 (1), shall be redesignated as subsection (bb) and
 20 moved to appear after subsection (aa).

21 (b) EXCLUSION FOR PAID OR SETTLED MEDICAL
 22 DEBT.—

23 (1) IN GENERAL.—Section 605(a) of the Fair
 24 Credit Reporting Act (15 U.S.C. 1681c(a)) is
 25 amended by adding at the end the following:

1 “(7) Any information relating to a medical debt
 2 if the date on which the debt was placed for collec-
 3 tion, charged to profit or loss, or subjected to any
 4 similar action antedates the report by less than 180
 5 days.

6 “(8) Any information relating to a fully paid or
 7 settled medical debt that had been characterized as
 8 delinquent, charged off, or in collection which, from
 9 the date of payment or settlement, antedates the re-
 10 port by more than 45 days.”.

11 (2) TECHNICAL AND CONFORMING AMEND-
 12 MENTS.—On the date described in section 302(e) of
 13 the Economic Growth, Regulatory Relief, and Con-
 14 sumer Protection Act (Public Law 115–174), para-
 15 graphs (7) and (8) of section 605(a) of the Fair
 16 Credit Reporting Act (15 U.S.C. 1681c(a)), as
 17 added by paragraph (1) of this subsection, shall be
 18 redesignated as paragraphs (9) and (10), respec-
 19 tively, and moved to appear after paragraph (8).

20 **SEC. 3. AMENDMENTS TO THE FAIR DEBT COLLECTION**
 21 **PRACTICES ACT.**

22 (a) IN GENERAL.—Section 809 of the Fair Debt Col-
 23 lection Practices Act (15 U.S.C. 1692g) is amended by
 24 adding at the end the following:

1 “(f) ADDITIONAL NOTICE REQUIREMENTS FOR MED-
2 ICAL DEBT.—

3 “(1) DEFINITIONS.—In this subsection:

4 “(A) CONSUMER REPORTING AGENCY.—

5 The term ‘consumer reporting agency’ has the
6 meaning given the term in section 603(f) of the
7 Fair Credit Reporting Act.

8 “(B) MEDICAL DEBT.—The term ‘medical
9 debt’ means a debt arising from the receipt of
10 medical services, products, or devices.

11 “(2) NOTICE ABOUT CREDIT REPORTING.—Be-
12 fore furnishing information regarding a medical debt
13 of a consumer to a consumer reporting agency, the
14 person furnishing the information shall send a state-
15 ment to the consumer that includes the following:

16 “(A) A notification that the medical debt
17 may not be reported to a consumer reporting
18 agency until the end of the 180-day period be-
19 ginning on the date on which the person sends
20 the statement.

21 “(B) The specific date that is the end of
22 the 180-day period beginning on the date on
23 which the person sends the statement.

24 “(C) A notification that, if the debt is set-
25 tled or paid by the consumer or an insurance

1 company during the 180-day period beginning
2 on the date on which the person sends the
3 statement—

4 “(i) the debt may not be reported to
5 a consumer reporting agency; and

6 “(ii) the consumer may, during that
7 180-day period—

8 “(I) communicate with an insur-
9 ance company to determine coverage
10 for the debt; or

11 “(II) apply for financial assist-
12 ance.

13 “(3) NO REPORTING DURING 180-DAY PE-
14 RIOD.—

15 “(A) IN GENERAL.—During the 180-day
16 period described in paragraph (2), no person
17 may communicate with, or report any informa-
18 tion to, any consumer reporting agency regard-
19 ing a debt described in that paragraph.

20 “(B) RULE OF CONSTRUCTION.—Nothing
21 in this paragraph may be construed to affect
22 when a debt collector may engage in activities
23 to collect or attempt to collect any debt owed or
24 due or asserted to be owed.

1 “(4) REPORTING AFTER THE 180-DAY PE-
2 RIOD.—Nothing in this subsection shall prohibit a
3 person from communicating with, or reporting any
4 information to, a consumer reporting agency regard-
5 ing a medical debt of a consumer after the end of
6 the 180-day period described in paragraph (2) with
7 respect to the debt.”.

8 **SEC. 4. EFFECTIVE DATE.**

9 Except as otherwise expressly provided, the amend-
10 ments made by this Act shall take effect on the date that
11 is 180 days after the date of enactment of this Act.

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