

117TH CONGRESS
1ST SESSION

H. R. 773

To amend the Fair Credit Reporting Act to institute a 1-year 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 HOUSE OF REPRESENTATIVES

FEBRUARY 3, 2021

Ms. PORTER (for herself, Ms. SCHAKOWSKY, Mr. LYNCH, Ms. BARRAGÁN, Ms. NORTON, Mr. MALINOWSKI, Ms. SCANLON, Mr. KILDEE, Ms. BONAMICI, Mr. DOGGETT, Mr. TRONE, Mr. CÁRDENAS, Mr. RYAN, Mr. POCAN, Ms. SÁNCHEZ, Mr. SMITH of Washington, Mr. RUSH, Mr. LARSON of Connecticut, Ms. TLAIB, Mr. LOWENTHAL, Mr. DEFazio, Ms. DEGETTE, Mrs. NAPOLITANO, Ms. JAYAPAL, Mr. RASKIN, Mr. COHEN, Mr. JOHNSON of Georgia, Mrs. HAYES, Ms. SPANBERGER, Mr. BLUMENAUER, Mr. MCGOVERN, Mr. NEGUSE, Mr. GARCÍA of Illinois, Ms. JACKSON LEE, Ms. MCCOLLUM, Ms. LEE of California, Mr. TONKO, Ms. OMAR, Mr. CARSON, Mr. TAKANO, Mr. JONES, Ms. MENG, Mrs. WATSON COLEMAN, Mr. LAWSON of Florida, Mr. CROW, and Mr. LEVIN of California) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Credit Reporting Act to institute a 1-year 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 Collec-

tion 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 2021”.

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

7 (a) **MEDICAL DEBT DEFINED.**—Section 603 of the
8 Fair Credit Reporting Act (15 U.S.C. 1681a) is amended
9 by adding at the end the following:

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

12 (b) **EXCLUSION FOR PAID OR SETTLED MEDICAL**
13 **DEBT.**—Section 605(a) of the Fair Credit Reporting Act
14 (15 U.S.C. 1681c(a)) is amended by adding at the end
15 the following:

16 “(9) Any information relating to a medical debt if
17 the date on which the debt was placed for collection,
18 charged to profit or loss, or subjected to any similar action
19 antedates the report by less than 1 year.

20 “(10) Any information relating to a fully paid or set-
21 tled medical debt that had been characterized as delin-
22 quent, charged off, or in collection which, from the date

1 of payment or settlement, antedates the report by more
2 than 45 days.”.

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

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

8 “(f) ADDITIONAL NOTICE REQUIREMENTS FOR MED-
9 ICAL DEBT.—

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

11 “(A) CONSUMER REPORTING AGENCY.—

12 The term ‘consumer reporting agency’ has the
13 meaning given the term in section 603(f) of the
14 Fair Credit Reporting Act.

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

18 “(2) NOTICE ABOUT CREDIT REPORTING.—Be-
19 fore furnishing information regarding a medical debt
20 of a consumer to a consumer reporting agency, the
21 person furnishing the information shall send a state-
22 ment to the consumer that includes the following:

23 “(A) A notification that the medical debt
24 may not be reported to a consumer reporting
25 agency until the end of the 1-year period begin-

1 ning on the date on which the person sends the
2 statement.

3 “(B) The specific date that is the end of
4 the 1-year period beginning on the date on
5 which the person sends the statement.

6 “(C) A notification that, if the debt is set-
7 tled or paid by the consumer or an insurance
8 company during the 1-year period beginning on
9 the date on which the person sends the state-
10 ment—

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

13 “(ii) the consumer may, during that
14 1-year period—

15 “(I) communicate with an insur-
16 ance company to determine coverage
17 for the debt; or

18 “(II) apply for financial assist-
19 ance.

20 “(3) NO REPORTING DURING 1-YEAR PERIOD.—

21 “(A) IN GENERAL.—During the 1-year pe-
22 riod described in paragraph (2), no person may
23 communicate with, or report any information
24 to, any consumer reporting agency regarding a
25 debt described in that paragraph.

1 “(B) RULE OF CONSTRUCTION.—Nothing
2 in subparagraph (A) may be construed to affect
3 when a debt collector may engage in activities
4 to collect or attempt to collect any debt owed or
5 due or asserted to be owed.

6 “(4) REPORTING AFTER THE 1-YEAR PERIOD.—
7 Nothing in this subsection shall prohibit a person
8 from communicating with, or reporting any informa-
9 tion to, a consumer reporting agency regarding a
10 medical debt of a consumer after the end of the 1-
11 year period described in paragraph (2) with respect
12 to the debt.”.

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