

HR 5282

Comprehensive Consumer Credit Reporting Reform Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: May 19, 2016

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (May 19, 2016)

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Sponsor

Name: Rep. Waters, Maxine [D-CA-43]

Party: Democratic • **State:** CA • **Chamber:** House

Cosponsors (8 total)

Cosponsor	Party / State	Role	Date Joined
Del. Norton, Eleanor Holmes [D-DC-At Large]	D · DC		Jul 6, 2016
Rep. Cleaver, Emanuel [D-MO-5]	D · MO		Jul 6, 2016
Rep. Fudge, Marcia L. [D-OH-11]	D · OH		Jul 6, 2016
Rep. Green, Al [D-TX-9]	D · TX		Jul 6, 2016
Rep. Rangel, Charles B. [D-NY-13]	D · NY		Jul 6, 2016
Rep. Watson Coleman, Bonnie [D-NJ-12]	D · NJ		Jul 6, 2016
Rep. Napolitano, Grace F. [D-CA-32]	D · CA		Jul 12, 2016
Rep. Takano, Mark [D-CA-41]	D · CA		Jul 12, 2016

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	May 19, 2016

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
114 HR 3524	Related bill	Sep 16, 2015: Referred to the House Committee on Financial Services.

Comprehensive Consumer Credit Reporting Reform Act of 2016

This bill amends the Fair Credit Reporting Act to revise requirements for reinvestigations of disputed information by a consumer reporting agency (CRA), establishing a new right to appeal, free of charge, completed disputes adverse to the consumer.

The bill prescribes requirements for:

- dispute procedures for furnishers of information and CRAs, as well as meaningful disclosures to consumers about investigations and reinvestigations; and
- CRA action when notified of inaccurate or incomplete information from furnishers.

The Consumer Financial Protection Bureau (CFPB) shall issue a final rule establishing reasonable procedures CRAs must maintain to ensure maximum possible accuracy and completeness of the information concerning the individual to whom a consumer report relates.

Any CRA that furnishes a consumer report containing public record data shall include its source.

Courts may award injunctive relief to consumers against any person found liable for either willful or negligent noncompliance with the requirements of the Act.

The bill limits the circumstances in which a CRA may furnish a consumer report for employment purposes.

No CRA may furnish a consumer report containing any adverse item of information relating to:

- a delinquent or defaulted private education loan of a borrower who has rehabilitated his or her credit regarding the loan by making 9 on-time monthly loan payments over 10 consecutive months after the delinquency or default occurred, or
- a covered residential mortgage loan if the action or inaction to which the item of information relates resulted from specified predatory lending practices.

The bill shortens the respective time periods that specified adverse credit information remains on consumer reports, and gives deadlines for removing from them fully paid or settled medical debt.

A CRA must remove from a consumer report any adverse information about:

- a private education loan regarding a proprietary educational institution or career education program which the consumer alleges engaged in fraudulent, discriminatory, or illegal practices; and
- a consumer who is the victim of intentionally abusive or harmful financial behavior by an acquaintance or family member.

No CRAs may treat credit restoration or rehabilitation as adverse information.

The CFPB shall issue final regulations for development of credit scoring models.

CRAs must disclose prominently on their websites the differences between and limitations of credit scores, including educational credit scores, before a consumer obtains such scores.

CRAs shall disclose, upon request and in certain circumstances automatically, free credit scores to consumers with their free annual consumer reports.

Private educational lenders, motor vehicle or indirect auto lenders, and residential mortgage lenders shall give consumers free copies of any consumer reports and credit scores they used for underwriting before consumers sign the respective loan agreements.

The bill prohibits:

- automatic renewals for consumer reporting and credit scoring products and services offered under promotional terms, and
- misleading and deceptive marketing related to the provision of such products and services.

The CFPB may set a fair and reasonable maximum fee for such a product or service, except where a maximum fee is otherwise posed by the Act.

The CFPB shall issue a rule to require CRAs and furnishers of information to:

- provide information, disclosures, or other communication with consumers in each of the 10 most commonly spoken non-English languages in the United States, and in formats accessible to individuals with hearing or vision impairments;
- ensure that at least one among their customer service representatives is fluent in each of these 10 languages; and
- ensure that all their customer service representatives are highly familiar with the requirements of the Act, and are available both during and outside of regular business hours.

The CFPB shall also establish a nationwide CRA registry.

CRAs must, upon consumer request, place credit freezes on the consumer's file, including free credit freezes for consumers with a good faith suspicion they have been or are about to become a victim of identity theft, fraud, or a related crime.

The bill transfers from the Federal Trade Commission to the CFPB the mandate to set procedures for reporting identity theft, fraud, and other related crime.

CRAs must provide the consumer with credit monitoring and identity theft protection services within one business day upon direct consumer request, and without charge if the consumer meets specified criteria.

Consumer reports shall exclude any information about inquiries resulting from identity theft, fraud, or other related crime.

Actions Timeline

- **May 19, 2016:** Introduced in House
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