

House Financial Services Committee passes more credit reporting bills

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Three more bills dealing with credit reporting [were passed on Tuesday](#) by the House Financial Services Committee. [Like the four bills passed by the Committee last week](#), none of the bills passed yesterday received any Republican votes.

The bills, which are listed below, would make various amendments to the FCRA, including those described below:

- The “[Student Borrower Credit Improvement Act](#).” The bill would prohibit a consumer reporting agency (CRA) from providing a consumer report containing any adverse information relating to a delinquent or defaulted private student loan if the borrower has rehabilitated his or her credit by making 9 on-time monthly payments during a 10-month period after the date of the default or delinquency. The bill includes circumstances, such as being entitled to hazardous or special military duty pay or residing in a declared major disaster area, that would allow a borrower to stop making consecutive monthly payments and be granted a grace period after which the 10-month period resumes, would prohibit the holder of a private student loan from bringing a civil action against a borrower with respect to a delinquent or defaulted loan during the rehabilitation period, and would deem a consumer report to be accurate and complete where the holder of a private student loan furnishes standardized reporting codes to the CRA in connection with loan rehabilitations (that the bill would direct CRAs to develop).
- The “[Clarity in Credit Score Formation Act of 2019](#).” The bill would direct the CFPB to establish standards for validating the accuracy and predictive value of scoring models both before their release and at regular intervals thereafter and to conduct a review of credit scoring models at least every 2 years to determine if the use of any particular factors or how certain factors are weighed or considered is inappropriate. The CFPB would also be directed to conduct a study and issue a report to Congress on the impact of using traditional modeling techniques or alternative modeling techniques to analyze non-traditional data from a consumer report and of including non-traditional data on consumer reports of certain consumers, such as those with no or minimal traditional credit history or who are in traditionally underserved communities or populations, or who are women or members of racial and ethnic minorities.
- The “[Accurate Access to Credit Information Act of 2019](#).” The bill would require the

nationwide CRAs to jointly develop an online consumer portal landing page that would give consumers unlimited free access to various items and functions such as consumer reports and credit scores, the ability to dispute the accuracy or completeness of consumer report information, and the ability to place and remove a security freeze. It would also impose an accuracy standard requiring the matching of information in a consumer's file by a CRA when preparing a consumer report, require CRAs that sell or share information other than through consumer reports to provide a method for a consumer to elect not to have his or her information sold or shared, require the CFPB to establish the position of "Credit Reporting Ombudsman" whose duties would include resolving persistent errors that are not resolved in a timely manner by a CRA and levying fines, impose new requirements on CRAs in connection with reinvestigations, require CRAs to make additional disclosures to consumers, and require the FTC to establish a publicly available registry of CRAs.

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