

118TH CONGRESS
1ST SESSION

H. R. 5180

To amend the Fair Credit Reporting act to restore the impaired credit of victims of predatory activities and unfair consumer reporting practices, to expand access to tools to protect vulnerable consumers from identity theft, fraud, or a related crime, and protect victims from further harm, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 8, 2023

Ms. TLAIB introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Credit Reporting act to restore the impaired credit of victims of predatory activities and unfair consumer reporting practices, to expand access to tools to protect vulnerable consumers from identity theft, fraud, or a related crime, and protect victims from further harm, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Restoring Unfairly Impaired Credit and Protecting Con-
6 sumers Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Effective date.
- Sec. 4. General Bureau rulemaking.

TITLE I—RESTORING THE IMPAIRED CREDIT OF VICTIMS OF
 PREDATORY ACTIVITIES AND UNFAIR CONSUMER REPORTING
 PRACTICES

- Sec. 101. Shortens the time period that most adverse credit information stays on consumer reports.
- Sec. 102. Mandates the expedited removal of fully paid or settled debt from consumer reports.
- Sec. 103. Prohibits the appearance of medical debt on consumer reports.
- Sec. 104. Provides credit restoration for victims of predatory mortgage lending and servicing.
- Sec. 105. Provides credit relief for private education loans borrowers who were defrauded or misled by proprietary education institution or career education programs.
- Sec. 106. Establishes right for victims of financial abuse to have adverse information removed from their consumer reports.
- Sec. 107. Prohibits treatment of credit restoration or rehabilitation as adverse information.

TITLE II—EXPANDING ACCESS TO TOOLS TO PROTECT VULNER-
 ABLE CONSUMERS FROM IDENTITY THEFT, FRAUD, OR A RE-
 LATED CRIME, AND PROTECT VICTIMS FROM FURTHER HARM

- Sec. 201. Identity theft report definition.
- Sec. 202. Amendment to protection for files and credit records of protected consumers.
- Sec. 203. Enhances fraud alert protections.
- Sec. 204. Amendment to security freezes for consumer reports.
- Sec. 205. Clarification of information to be included with agency disclosures.
- Sec. 206. Provides access to fraud records for victims.
- Sec. 207. Requires Bureau to set procedures for reporting identity theft, fraud, and other related crime.
- Sec. 208. Establishes the right to free credit monitoring and identity theft protection services for certain consumers.
- Sec. 209. Ensures removal of inquiries resulting from identity theft, fraud, or other related crime from consumer reports.

TITLE III—MISCELLANEOUS

- Sec. 301. Definitions.
- Sec. 302. Technical correction related to risk-based pricing notices.
- Sec. 303. FCRA findings and purpose; voids certain contracts not in the public interest.

3 **SEC. 2. FINDINGS.**

4 Congress finds the following:

1 (1) GENERAL FINDINGS.—

2 (A) Consumer reports play an increasingly
3 important role in the lives of American con-
4 sumers. Most creditors, for example, review
5 these reports to make decisions about whether
6 to extend credit to consumers and what terms
7 and conditions to offer them. As such, informa-
8 tion contained in these reports affects whether
9 a person is able to get a private education loan
10 to pay for college costs, to secure a mortgage
11 loan to buy a home, or to obtain a credit card,
12 as well as the terms and conditions under which
13 consumer credit products or services are offered
14 to them.

15 (B) Credit reports are also increasingly
16 used for many noncredit decisions, including by
17 landlords to determine whether to rent an
18 apartment to a prospective tenant and by em-
19 ployers to decide whether to hire potential job
20 applicants or to offer a promotion to existing
21 employees.

22 (C) Consumer reporting agencies
23 (“CRAs”) have a statutory obligation to verify
24 independently the accuracy and completeness of

1 information included on the reports that they
2 provide.

3 (D) The nationwide CRAs have failed to
4 establish and follow reasonable procedures, as
5 required by existing law, to establish the max-
6 imum level of accuracy of information contained
7 on consumer reports. Given the repeated fail-
8 ures of these CRAs to comply with accuracy re-
9 quirements on their own, this legislation is in-
10 tended to provide them with detailed guidance
11 improving the accuracy and completeness of in-
12 formation contained in consumer reports, in-
13 cluding procedures, policies, and practices that
14 these CRAs should already be following to en-
15 sure full compliance with their existing obliga-
16 tions.

17 (E) The presence of inaccurate or incom-
18 plete information on these reports can result in
19 substantial financial and emotional harm to
20 consumers. Credit reporting errors can lead to
21 the loss of a new employment opportunity or a
22 denial of a promotion in an existing job, stop
23 someone from being able to access credit on fa-
24 vorable terms, prevent a person from obtaining
25 rental housing, or even trigger mental distress.

1 (F) Current industry practices impose an
2 unfair burden of proof on consumers trying to
3 fix errors on their reports.

4 (G) Consumer reports containing inac-
5 curate or incomplete credit information also un-
6 dermine the ability of creditors and lenders to
7 effectively and accurately underwrite and price
8 credit.

9 (H) Recognizing that credit reporting af-
10 fects the lives of almost all consumers in this
11 country and that the consequences of errors on
12 a consumer report can be catastrophic for a
13 consumer, the Bureau of Consumer Financial
14 Protection (“Consumer Bureau”) began accept-
15 ing consumer complaints about credit reporting
16 shortly after its inception.

17 (I) The Consumer Bureau receives hun-
18 dreds of thousands of credit or consumer re-
19 porting complaints each year, making credit re-
20 porting consistently the most-complained-about
21 subject matter on which the Consumer Bureau
22 accepts consumer complaints.

23 (J) The majority of credit reporting com-
24 plaints received by the Consumer Bureau in-
25 volve incorrect information on consumer re-

1 ports, with consumers frequently expressing
2 their frustrations about the burdensome and
3 time-consuming process to disputing items.

4 (K) Other common types of credit report-
5 ing complaints submitted to the Consumer Bu-
6 reau relate to the improper use of a report,
7 trouble obtaining a report or credit score,
8 CRAs' investigations, and credit monitoring or
9 identity protection.

10 (L) Unlike most other business relation-
11 ships, where consumers can register their satis-
12 faction or unhappiness with a particular credit
13 product or service simply by taking their busi-
14 ness elsewhere, consumers have no say in
15 whether their information is included in the
16 CRAs databases and limited legal remedies to
17 hold the CRAs accountable for inaccuracies or
18 poor service.

19 (M) Accordingly, despite the existing statu-
20 tory mandate for CRAs to follow reasonable
21 procedures to assure the maximum possible ac-
22 curacy of the information whenever they pre-
23 pare consumer reports, numerous studies, the
24 high volume of consumer complaints submitted
25 to the Consumer Bureau about incorrect infor-

1 mation on consumer reports, and supervisory
2 activities by the Consumer Bureau demonstrate
3 that CRAs continue to skirt their obligations
4 under the law.

5 (2) PRIVATE EDUCATION LOANS.—

6 (A) Many private education loan bor-
7 rowers, who have sought to negotiate a modified
8 repayment plan when they were experiencing a
9 period of financial distress, have been unable to
10 get assistance from their loan holders, which
11 often results in them defaulting on their loans.

12 (B) Although private student loan holders
13 may allow a borrower to postpone payments
14 while enrolled in school full-time, many limit
15 this option to a certain time period. This period
16 may not be sufficient for those who need addi-
17 tional time to obtain their degree or who want
18 to continue their education by pursuing a grad-
19 uate or professional degree. Borrowers who are
20 unable to make payments often default or have
21 their accounts sent to collections before they are
22 even able to graduate.

23 (3) DECEPTIVE PRACTICES AT CERTAIN PRO-
24 PRIETARY EDUCATION INSTITUTIONS AND CAREER
25 EDUCATION PROGRAMS.—

1 (A) Observers have repeatedly noted the
2 pervasive problem of for-profit schools targeting
3 low-income students with deceptive high-pres-
4 sure sales techniques involving inflated job
5 placement rates and misleading data on grad-
6 uate wages, and false representations about the
7 transferability of credits and the employability
8 of graduates in occupations that require licen-
9 sure. Student loan borrowers at these schools
10 may be left with nothing but worthless creden-
11 tials and large debt.

12 (B) Attending a two-year, for-profit college
13 costs, on average, four times as much as at-
14 tending a community college. Students at for-
15 profit colleges represent only about 9 percent of
16 the total higher education population but a
17 startling 46 percent of all Federal student loan
18 defaults.

19 (C) A disproportionate number of for-prof-
20 it students are low-income and people of color.
21 For-profit schools target veterans, working par-
22 ents, first-generation students, and non-English
23 speaking students, who may be more likely than
24 their public or private nonprofit school counter-

1 parts to drop out, incur enormous student debt,
2 and default on this debt.

3 (4) MEDICAL DEBT.—

4 (A) Research by the Consumer Bureau has
5 found that the inclusion of medical collections
6 on consumer reports has unfairly reduced con-
7 sumers' credit scores.

8 (B) Credit scores may underestimate a
9 person's creditworthiness by up to 10 points for
10 those who owe medical debt, and may under-
11 estimate a person's creditworthiness by up to
12 22 points after the medical debt has been paid,
13 according to findings from the Consumer Bu-
14 reau.

15 (C) The Consumer Bureau has found that
16 half of all collections trade lines that appear on
17 consumer reports are related to medical bills
18 claimed to be owed to hospitals and other med-
19 ical providers. These trade lines affect the re-
20 ports of nearly 1/5 of all consumers in the cred-
21 it reporting system.

22 (D) The Consumer Bureau has found that
23 there are no objective or enforceable standards
24 that determine when a debt can or should be
25 reported as a collection trade line. Because debt

1 buyers and collectors determine whether, when,
2 and for how long to report a collection account,
3 there is only a limited relationship between the
4 time period reported, the severity of a delin-
5 quency, and when or whether a collection trade
6 line appears on a consumer's credit report.

7 (E) Medical bills can be complex and con-
8 fusing for many consumers, which results in
9 consumers' uncertainty about what they owe, to
10 whom, when, or for what, that may cause some
11 people, who ordinarily pay their bills on time, to
12 delay or withhold payments on their medical
13 debts. This uncertainty can also result in med-
14 ical collections appearing on consumer reports.
15 Unlike with most credit products or services,
16 that have contractual account disclosures de-
17 scribing the terms and conditions of use, most
18 consumers are not told what their out-of-pocket
19 medical costs will be in advance. Consumers
20 needing urgent or emergency care rarely know,
21 or are provided, the cost of a medical treatment
22 or procedure before the service is rendered.

23 (F) The presence of medical collections is
24 less predictive of future defaults or serious de-

1 linquencies than the presence of a nonmedical
2 collection.

3 (G) Medical debt is regularly incurred in-
4 voluntarily, for necessary and often life-saving
5 medical services, and is therefore unlike other
6 debt.

7 (H) Given the research showing there is
8 little predictive value in medical debt informa-
9 tion, and the unique nature of medical debt, the
10 reporting of medical debt on credit reports
11 should be prohibited.

12 (5) FINANCIAL ABUSE BY KNOWN PERSONS.—

13 (A) Financial abuse and exploitation are
14 frequently associated with domestic violence.
15 This type of abuse may result in fraudulent
16 charges to a credit card or having fraudulent
17 accounts created by the abuser in the survivor's
18 name. Financial abuse may also result in the
19 survivor's inability to make timely payments on
20 their valid obligations due to loss or changes in
21 income that can occur when their abuser steals
22 from or coerces the survivor to relinquish their
23 paychecks or savings.

24 (B) By racking up substantial debts in the
25 survivor's name, abusers are able to exercise fi-

1 nancial control over their survivors to make it
2 economically difficult for the survivor, whose
3 credit is often destroyed, to escape the situa-
4 tion.

5 (C) Domestic abuse survivors with poor
6 credit are likely to face significant obstacles in
7 establishing financial independence from their
8 abusers. This can be due, in part, because con-
9 sumer reports may be used when a person at-
10 tempts to obtain a checking account, housing,
11 insurance, utilities, employment, and even a se-
12 curity clearance as required for certain jobs.

13 (D) Providing documentation of identity
14 (“ID”) theft in order to dispute information on
15 one’s consumer report can be particularly chal-
16 lenging for those who know their financial
17 abuser.

18 (E) While it is easier for consumers who
19 obtain a police report to remove fraudulent in-
20 formation from their consumer report and pre-
21 vent it from reappearing in the future, safety
22 and other noncredit concerns may impact the
23 capacity of a survivor of financial abuse com-
24 mitted by a known person to turn to law en-
25 forcement to get a police report.

1 (F) Domestic abuse survivors, seeking to
2 remove adverse information stemming from fi-
3 nancial abuse by contacting their furnishers di-
4 rectly, often face skepticism about claims of ID
5 theft perpetrated by a partner because of an as-
6 sumption that they are aware of, and may have
7 been complicit in, the activity which the sur-
8 vivor alleges stems from financial abuse.

9 (6) DECEPTIVE AND MISLEADING MARKETING
10 PRACTICES.—

11 (A) The three nationwide CRAs have faced
12 millions of dollars in fines and civil monetary
13 penalties for deceptive practices, including en-
14 ticing consumers into purchasing products and
15 services that they may not want or need, in
16 some instances by advertising products or serv-
17 ices “free” that automatically converted into an
18 ongoing subscription service at the regular price
19 unless cancelled by the consumer. Codifying the
20 duties of CRAs is an appropriate way to ensure
21 these companies do not engage in such mis-
22 leading behaviors in the future.

23 (B) Given the ubiquitous use of consumer
24 reports in consumers’ lives and the fact that
25 consumers’ participation in the credit reporting

1 system is involuntary, CRAs should also
2 prioritize providing consumers with the effective
3 means to safeguard their personal and financial
4 information and improve their credit standing,
5 rather than seeking to exploit consumers' con-
6 cerns and confusion about credit reporting and
7 scoring, to boost their companies' profits.

8 (C) Vulnerable consumers, who have legiti-
9 mate concerns about the security of their per-
10 sonal and financial information, deserve clear,
11 accurate, and transparent information about
12 the credit reporting tools that may be available
13 to them, such as fraud alerts and freezes.

14 (7) PROTECTIONS FOR CONSUMERS' CREDIT IN-
15 FORMATION.—

16 (A) Despite heightened awareness, inci-
17 dents of ID theft continue to rise. As these inci-
18 dents increase, consumers experience significant
19 financial loss and emotional distress from the
20 inability to safeguard effectively and inexpen-
21 sively their credit information from bad actors.

22 (B) Children are much more likely than
23 adults to have their identities stolen. Child iden-
24 tities are valuable to thieves because most chil-
25 dren do not have existing files, and their par-

1 ents may not notice fraudulent activity until
2 their child applies for a student loan, a job, or
3 a credit card. As a result, the fraudulent activ-
4 ity of the bad actors may go undetected for
5 years.

6 (C) Despite the increasing incidents of
7 children’s ID theft, parents who want to
8 proactively prevent their children from having
9 their identity stolen, may not be able to do so.
10 Nationwide Federal law to address this issue is
11 lacking.

12 (D) Each year, more than 10 million
13 American consumers are victims of identity
14 theft, costing them roughly \$20 billion annu-
15 ally.

16 (E) American consumers spend billions of
17 dollars annually on products aimed at pro-
18 tecting their identity. As risks to consumers’
19 personal and financial information continue to
20 grow, consumers need additional protections to
21 ensure that they have fair and reasonable ac-
22 cess to the full suite of ID theft and fraud pre-
23 vention measures that may be right for them.

1 **SEC. 3. EFFECTIVE DATE.**

2 Except as otherwise specified, the amendments made
3 by this Act shall take effect 2 years after the date of the
4 enactment of this Act.

5 **SEC. 4. GENERAL BUREAU RULEMAKING.**

6 Except as otherwise provided, not later than the end
7 of the 2-year period beginning on the date of the enact-
8 ment of this Act, the Bureau of Consumer Financial Pro-
9 tection shall issue final rules to implement the amend-
10 ments made by this Act.

11 **TITLE I—RESTORING THE IM-**
12 **PAIRED CREDIT OF VICTIMS**
13 **OF PREDATORY ACTIVITIES**
14 **AND UNFAIR CONSUMER RE-**
15 **PORTING PRACTICES**

16 **SEC. 101. SHORTENS THE TIME PERIOD THAT MOST AD-**
17 **VERSE CREDIT INFORMATION STAYS ON CON-**
18 **SUMER REPORTS.**

19 (a) IN GENERAL.—Section 605 of the Fair Credit
20 Reporting Act (15 U.S.C. 1681c) is amended—

21 (1) in subsection (a)—

22 (A) by striking “Except as authorized
23 under subsection (b), no” and inserting “No”;

24 (B) in paragraph (1), by striking “10
25 years” and inserting “7 years”;

1 (C) in paragraph (2), by striking “Civil
2 suits, civil judgments, and records” and insert-
3 ing “Records”;

4 (D) in paragraph (3), by striking “seven
5 years” and inserting “4 years”;

6 (E) in paragraph (4), by striking “seven
7 years” and inserting “4 years, except as pro-
8 vided in paragraph (8), (10), (11), (12), or
9 (13), or if deletion is required by section 605D,
10 605E, or 605F”;

11 (F) in paragraph (5)—

12 (i) by striking “, other than records of
13 convictions of crimes”; and

14 (ii) by striking “seven years” and in-
15 sserting “4 years, except if deletion is re-
16 quired by section 605D, 605E, or 605F”;
17 and

18 (G) by adding at the end the following new
19 paragraphs:

20 “(9) Civil suits and civil judgments (except as
21 provided in paragraph (8)) that, from date of entry,
22 antedate the report by more than 4 years or until
23 the governing statute of limitations has expired,
24 whichever is the longer period.

25 “(10) A civil suit or civil judgment—

1 “(A) brought by a private education loan
2 holder that, from the date of successful comple-
3 tion of credit restoration or rehabilitation in ac-
4 cordance with the requirements of section
5 605E, antedates the report by 45 calendar
6 days; or

7 “(B) brought by a lender with respect to
8 a covered residential mortgage loan where the
9 consumer has obtained relief pursuant to sec-
10 tion 605D that antedates the report by 45 cal-
11 endar days.

12 “(11) Records of convictions of crimes which
13 antedate the report by more than 7 years.

14 “(12) Any other adverse item of information re-
15 lating to the collection of debt that did not arise
16 from a contract or an agreement to pay by a con-
17 sumer, including fines, tickets, and other assess-
18 ments, as determined by the Bureau, excluding tax
19 liability.”;

20 (2) by striking subsection (b) and redesignating
21 subsections (c) through (h) as subsections (b)
22 through (g), respectively; and

23 (3) in subsection (b) (as so redesignated), by
24 striking “7-year period referred to in paragraphs (4)

1 and (6)” and inserting “4-year period referred to in
2 paragraphs (4) and (5)”.

3 (b) CONFORMING AMENDMENTS.—The Fair Credit
4 Reporting Act (15 U.S.C. 1681) is amended—

5 (1) in section 616(d), by striking “section
6 605(g)” each place that term appears and inserting
7 “section 605(f)”; and

8 (2) in section 625(b)(5)(A), by striking “section
9 605(g)” and inserting “section 605(f)”.

10 **SEC. 102. MANDATES THE EXPEDITED REMOVAL OF FULLY**
11 **PAID OR SETTLED DEBT FROM CONSUMER**
12 **REPORTS.**

13 Section 605(a) of the Fair Credit Reporting Act (15
14 U.S.C. 1681c(a)), as amended by section 101(a)(1), is fur-
15 ther amended by adding at the end the following new para-
16 graph:

17 “(13) Any other adverse item of information re-
18 lated to a fully paid or settled debt that had been
19 characterized as delinquent, charged off, or in collec-
20 tion which, from the date of payment or settlement,
21 antedates the report by more than 45 calendar
22 days.”.

1 **SEC. 103. PROHIBITS THE APPEARANCE OF MEDICAL DEBT**
2 **ON CONSUMER REPORTS.**

3 (a) PROHIBITION ON REPORTING MEDICAL PROCE-
4 DURES.—Section 605(a) of the Fair Credit Reporting Act
5 (15 U.S.C. 1681c(a)), as amended by section 102, is fur-
6 ther amended by adding at the end the following new para-
7 graph:

8 “(14) Any information related to a debt arising
9 from a medical procedure.”.

10 (b) TECHNICAL AMENDMENT.—Section 604(g)(1)(C)
11 of the Fair Credit Reporting Act (15 U.S.C.
12 1681b(g)(1)(C)) is further amended by striking “devises”
13 and inserting “devices”.

14 **SEC. 104. PROVIDES CREDIT RESTORATION FOR VICTIMS**
15 **OF PREDATORY MORTGAGE LENDING AND**
16 **SERVICING.**

17 (a) IN GENERAL.—The Fair Credit Reporting Act
18 (15 U.S.C. 1681 et seq.) is amended by inserting after
19 section 605C the following new section:

20 **“§ 605D. Credit restoration for victims of predatory**
21 **mortgage lending**

22 “(a) IN GENERAL.—A consumer reporting agency
23 may not furnish any consumer report containing any ad-
24 verse item of information relating to a covered residential
25 mortgage loan (including the origination and servicing of
26 such a loan, any loss mitigation activities related to such

1 a loan, and any foreclosure, deed in lieu of foreclosure,
2 or short sale related to such a loan), if the action or inac-
3 tion to which the item of information relates—

4 “(1) resulted from an unfair, deceptive, or abu-
5 sive act or practice, or a fraudulent, discriminatory,
6 or illegal activity of a financial institution, as deter-
7 mined by the Bureau or a court of competent juris-
8 diction; or

9 “(2) is related to an unfair, deceptive, or abu-
10 sive act, practice, or a fraudulent, discriminatory, or
11 illegal activity of a financial institution that is the
12 subject of a settlement agreement initiated on behalf
13 of a consumer or consumers and that is between the
14 financial institution and an agency or department of
15 a local, State, or Federal Government, regardless of
16 whether such settlement includes an admission of
17 wrongdoing.

18 “(b) COVERED RESIDENTIAL MORTGAGE LOAN DE-
19 FINED.—In this section, the term ‘covered residential
20 mortgage loan’ means any loan primarily for personal,
21 family, or household use that is secured by a mortgage,
22 deed of trust, or other equivalent consensual security in-
23 terest on a dwelling (as defined in section 103(w) of the
24 Truth in Lending Act), including a loan in which the pro-
25 ceeds will be used for—

1 **“§ 605E. Private education loan credit restoration for**
2 **defrauded student borrowers who attend**
3 **certain proprietary educational institu-**
4 **tion or career education programs**

5 “(a) PROCESS FOR CERTIFICATION AS A QUALIFYING
6 PRIVATE EDUCATION LOAN BORROWER.—

7 “(1) IN GENERAL.—A consumer may submit a
8 request to the Bureau, along with a defraudment
9 claim, to be certified as a qualifying private edu-
10 cation loan borrower with respect to a private edu-
11 cation loan.

12 “(2) CERTIFICATION.—The Bureau shall certify
13 a consumer described in paragraph (1) as a quali-
14 fying private education loan borrower with respect to
15 a private education loan if the Bureau or a court of
16 competent jurisdiction determines that the consumer
17 has a valid defraudment claim with respect to such
18 loan.

19 “(b) REMOVAL OF ADVERSE INFORMATION.—Upon
20 receipt of a notice described in subsection (d)(5), a con-
21 sumer reporting agency shall remove any adverse informa-
22 tion relating to any private education loan with respect
23 to which a consumer is a qualifying private education loan
24 borrower from any consumer report within 45 calendar
25 days of receipt of such notification.

1 “(c) DISCLOSURE.—The Bureau shall disclose the re-
2 sults of a certification determination in writing to the con-
3 sumer that provides a clear and concise explanation of the
4 basis for the determination of whether such consumer is
5 a qualifying private education loan borrower with respect
6 to a private education loan and, as applicable, an expla-
7 nation of the consumer’s right to have adverse information
8 relating to such loan removed from their consumer report
9 by a consumer reporting agency.

10 “(d) PROCEDURES.—The Bureau shall—

11 “(1) establish procedures for a consumer to
12 submit a request described in subsection (a);

13 “(2) establish procedures to efficiently review,
14 accept, and process such a request;

15 “(3) develop ongoing outreach initiatives and
16 education programs to inform consumers of the cir-
17 cumstances under which such consumer may be eli-
18 gible to be certified as a qualifying private education
19 loan borrower with respect to a private education
20 loan;

21 “(4) establish procedures, including the man-
22 ner, form, and content of the notice informing a pri-
23 vate educational loan holder of the prohibition on re-
24 porting any adverse information relating to a private

1 education loan with respect to which a consumer is
2 a qualifying private education loan borrower; and

3 “(5) establish procedures, including the man-
4 ner, form, and content of the notice informing a con-
5 sumer reporting agency of the obligation to remove
6 any adverse information as described in subsection
7 (c).

8 “(e) STANDARDIZED REPORTING CODES.—A con-
9 sumer reporting agency shall develop standardized report-
10 ing codes for use by private education loan holders to iden-
11 tify and report a qualifying private education loan bor-
12 rower’s status of a request to remove any adverse informa-
13 tion relating to any private education loan with respect
14 to which such consumer is a qualifying private education
15 loan borrower. A consumer report in which a person fur-
16 nishes such codes shall be deemed to comply with the re-
17 quirements for accuracy and completeness required under
18 sections 623(a)(1) and 630. Such codes shall not appear
19 on any report provided to a third party, and shall be re-
20 moved from the consumer’s credit report upon the success-
21 ful restoration of the consumer’s credit under this section.

22 “(f) DEFRAUDMENT CLAIM DEFINED.—For pur-
23 poses of this section, the term ‘defraudment claim’ means
24 a claim made with respect to a consumer who is a bor-
25 rower of a private education loan with respect to a propri-

1 etary educational institution or career education program
2 in which the consumer alleges that—

3 “(1) the proprietary educational institution or
4 career education program—

5 “(A) engaged in an unfair, deceptive, or
6 abusive act or practice, or a fraudulent, dis-
7 criminatory, or illegal activity—

8 “(i) as defined by State law of the
9 State in which the proprietary educational
10 institution or career education program is
11 headquartered or maintains or maintained
12 significant operations; or

13 “(ii) under Federal law;

14 “(B) is the subject of an enforcement
15 order, a settlement agreement, a memorandum
16 of understanding, a suspension of tuition assist-
17 ance, or any other action relating to an unfair,
18 deceptive, or abusive act or practice that is be-
19 tween the proprietary educational institution or
20 career education program and an agency or de-
21 partment of a local, State, or Federal Govern-
22 ment; or

23 “(C) misrepresented facts to students or
24 accrediting agencies or associations about grad-
25 uation or gainful employment rates in recog-

1 nized occupations or failed to provide the
 2 coursework necessary for students to success-
 3 fully obtain a professional certification or de-
 4 gree from the proprietary educational institu-
 5 tion or career education program; or

6 “(2) the consumer has submitted a valid de-
 7 fense to repayment claim with respect to such loan,
 8 as determined by the Secretary of Education.”.

9 (b) TABLE OF CONTENTS AMENDMENT.—The table
 10 of contents of the Fair Credit Reporting Act is amended
 11 by inserting after the item relating to section 605D (as
 12 added by section 104) the following new item:

“605E. Private education loan credit restoration for defrauded student bor-
 rowers who attend certain proprietary educational institution
 or career education programs.”.

13 **SEC. 106. ESTABLISHES RIGHT FOR VICTIMS OF FINANCIAL**
 14 **ABUSE TO HAVE ADVERSE INFORMATION RE-**
 15 **MOVED FROM THEIR CONSUMER REPORTS.**

16 (a) IN GENERAL.—The Fair Credit Reporting Act
 17 (15 U.S.C. 1681 et seq.), as amended by section 105, is
 18 further amended by inserting after section 605E the fol-
 19 lowing:

20 **“§ 605F. Adverse information in cases of financial**
 21 **abuse**

22 “(a) IN GENERAL.—A consumer reporting agency
 23 may not furnish a consumer report containing any adverse
 24 item of information about a consumer that resulted from

1 financial abuse if the consumer has provided documenta-
2 tion of financial abuse to the consumer reporting agency.

3 “(b) RULEMAKING.—

4 “(1) IN GENERAL.—Not later than 180 days
5 after the date of the enactment of this section, the
6 Director shall issue rules to implement this section.

7 “(2) CONTENTS.—Any rule issued pursuant to
8 paragraph (1) shall establish a method by which
9 consumers shall submit documentation of financial
10 abuse to consumer reporting agencies.

11 “(c) DEFINITIONS.—In this section:

12 “(1) DOCUMENTATION OF FINANCIAL ABUSE.—
13 The term ‘documentation of financial abuse’
14 means—

15 “(A) documentation of—

16 “(i) a determination by a Federal or
17 State government entity that a consumer is
18 a victim of domestic violence, dating vio-
19 lence, abuse in later life, or child abuse
20 and neglect;

21 “(ii) a determination by a court of
22 competent jurisdiction that a consumer is
23 a victim of domestic violence, dating vio-
24 lence, abuse in later life, or child abuse
25 and neglect;

1 “(iii) written verification from a
2 Qualified Third Party to whom the con-
3 sumer reported financial abuse; or

4 “(iv) any other documentation the
5 Bureau may prescribe; and

6 “(B) documentation that identifies items
7 of adverse information that should not be fur-
8 nished by a consumer reporting agency because
9 the items resulted from the financial abuse of
10 which such consumer is a victim.

11 “(2) FINANCIAL ABUSE.—The term ‘financial
12 abuse’ has the meaning given ‘economic abuse’ (as
13 defined in 40002 of the Violence Against Women
14 Act of 1994), except such term is not limited to the
15 context of domestic violence, dating violence, and
16 abuse in later life.

17 “(3) QUALIFIED THIRD PARTY.—The term
18 ‘Qualified Third Party’ means—

19 “(A) a law enforcement officer;

20 “(B) a person employed by or working on
21 behalf of a government agency or nonprofit or-
22 ganization that provides services to victims of
23 domestic violence, child abuse or neglect, elder
24 abuse, economic abuse, or abuse in later life;

1 “(C) a member of the clergy of a church,
2 religious society, or denomination;

3 “(D) a physician, psychiatrist, psycholo-
4 gist, social worker, registered nurse, therapist,
5 or clinical professional counselor licensed to
6 practice in any State; or

7 “(E) any other person as determined by
8 the Director of the Bureau.

9 “(4) OTHER DEFINITIONS.—The terms ‘abuse
10 in later life’, ‘child abuse and neglect’, ‘dating vio-
11 lence’, ‘domestic abuse’, ‘economic abuse’, and ‘elder
12 abuse’—

13 “(A) have the meanings given, respectively,
14 in section 40002 of the Violence Against
15 Women Act of 1994; or

16 “(B) if such a term, as defined by a State,
17 affords greater protection to an individual than
18 the protection provided under this section, have
19 the meanings given by the relevant State.”.

20 (b) TABLE OF CONTENTS AMENDMENT.—The table
21 of contents of the Fair Credit Reporting Act is amended
22 by inserting after the item relating to section 605E (as
23 added by section 105) the following new item:

 “605F. Adverse information in cases of financial abuse.”.

24 (c) EFFECTIVE DATE.—The amendments made by
25 this section shall apply on the date that is 30 days after

1 the date on which the Director of the Bureau of Consumer
2 Financial Protection issues a rule pursuant to section
3 605F(b) of the Fair Credit Reporting Act, as added by
4 this section.

5 **SEC. 107. PROHIBITS TREATMENT OF CREDIT RESTORA-**
6 **TION OR REHABILITATION AS ADVERSE IN-**
7 **FORMATION.**

8 The Fair Credit Reporting Act (15 U.S.C. 1681 et
9 seq.) is amended—

10 (1) by adding at the end the following new sec-
11 tion:

12 **“§ 630. Prohibition of certain factors related to Fed-**
13 **eral credit restoration or rehabilitation**

14 **“(a) RESTRICTION ON CREDIT SCORING MODELS.—**
15 A credit scoring model may not—

16 **“(1) take into consideration, in a manner ad-**
17 **verse to a consumer’s credit score, any information**
18 **in a consumer report concerning the consumer’s par-**
19 **ticipation in credit restoration or rehabilitation**
20 **under section 605D, 605E, or 605F; or**

21 **“(2) treat negatively, in a manner adverse to a**
22 **consumer’s credit score, the absence of payment his-**
23 **tory data for an existing account, whether the ac-**
24 **count is open or closed, where the absence of such**
25 **information is the result of a consumer’s participa-**

1 tion in credit restoration or rehabilitation under sec-
2 tion 605D, 605E, or 605F.

3 “(b) RESTRICTION ON PERSONS OBTAINING CON-
4 SUMER REPORTS.—A person who obtains a consumer re-
5 port may not—

6 “(1) take into consideration, in a manner ad-
7 verse to a consumer, any information in a consumer
8 report concerning the consumer’s participation in
9 credit restoration or rehabilitation under section
10 605D, 605E, or 605F; or

11 “(2) treat negatively the absence of payment
12 history data for an existing account, whether the ac-
13 count is open or closed, where the absence of such
14 information is the result of a consumer’s participa-
15 tion in credit restoration or rehabilitation under sec-
16 tion 605D, 605E, or 605F.

17 “(c) PROHIBITION RELATED TO ADVERSE ACTIONS
18 AND RISK-BASED PRICING DECISIONS.—No person shall
19 use information related to a consumer’s participation in
20 credit restoration or rehabilitation under section 605D,
21 605E, or 605F in connection with any determination of—

22 “(1) the consumer’s eligibility or continued eli-
23 gibility for an extension of credit;

24 “(2) the terms and conditions offered to a con-
25 sumer regarding an extension of credit; or

1 “(3) an adverse action made for employment
2 purposes.”; and

3 (2) in the table of contents for such Act, by
4 adding at the end the following new item:

“630. Prohibition of certain factors related to Federal credit restoration or rehabilitation.”.

5 **TITLE II—EXPANDING ACCESS**
6 **TO TOOLS TO PROTECT VUL-**
7 **NERABLE CONSUMERS FROM**
8 **IDENTITY THEFT, FRAUD, OR**
9 **A RELATED CRIME, AND PRO-**
10 **TECT VICTIMS FROM FUR-**
11 **THER HARM**

12 **SEC. 201. IDENTITY THEFT REPORT DEFINITION.**

13 Paragraph (4) of section 603(q) of the Fair Credit
14 Reporting Act (15 U.S.C. 1681a(q)(4)) is amended to
15 read as follows:

16 “(4) IDENTITY THEFT REPORT.—The term
17 ‘identity theft report’ has the meaning given that
18 term by rule of the Bureau, and means, at a min-
19 imum, a report—

20 “(A) that is a standardized affidavit that
21 alleges that a consumer has been a victim of
22 identity theft, fraud, or a related crime, or has
23 been harmed by the unauthorized disclosure of
24 the consumer’s financial or personally identifi-

1 able information, that was developed and made
2 available by the Bureau; or

3 “(B)(i) that alleges an identity theft,
4 fraud, or a related crime, or alleges harm from
5 the unauthorized disclosure of the consumer’s
6 financial or personally identifiable information;

7 “(ii) that is a copy of an official, valid re-
8 port filed by a consumer with an appropriate
9 Federal, State, or local law enforcement agency,
10 including the United States Postal Inspection
11 Service, or such other government agency
12 deemed appropriate by the Bureau; and

13 “(iii) the filing of which subjects the per-
14 son filing the report to criminal penalties relat-
15 ing to the filing of false information if, in fact,
16 the information in the report is false.”.

17 **SEC. 202. AMENDMENT TO PROTECTION FOR FILES AND**

18 **CREDIT RECORDS OF PROTECTED CON-**

19 **SUMERS.**

20 (a) AMENDMENT TO DEFINITION OF FILE.—Section
21 603(g) of the Fair Credit Reporting Act (15 U.S.C.
22 1681a(g)) is amended by inserting “, except that such
23 term excludes a record created pursuant to section
24 605A(j)” after “stored”.

1 (b) AMENDMENT TO PROTECTION FOR FILES AND
2 CREDIT RECORDS.—Section 605A(j) of the Fair Credit
3 Reporting Act (15 U.S.C. 1681c–1(j)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (B)(ii), by striking
6 “an incapacitated person or a protected person”
7 and inserting “a person”; and

8 (B) by amending subparagraph (E) to read
9 as follows:

10 “(E) The term ‘security freeze’—

11 “(i) has the meaning given in sub-
12 section (i)(1)(C); and

13 “(ii) with respect to a protected con-
14 sumer for whom the consumer reporting
15 agency does not have a file, means a
16 record that is subject to a security freeze
17 that a consumer reporting agency is pro-
18 hibited from disclosing to any person re-
19 questing the consumer report for the pur-
20 pose of opening a new account involving
21 the extension of credit.”; and

22 (2) in paragraph (4)(D), by striking “a pro-
23 tected consumer or a protected consumer’s rep-
24 resentative under subparagraph (A)(i)” and insert-
25 ing “a protected consumer described under subpara-

1 graph (A)(ii) or a protected consumer’s representa-
2 tive”.

3 **SEC. 203. ENHANCES FRAUD ALERT PROTECTIONS.**

4 Section 605A of the Fair Credit Reporting Act (15
5 U.S.C. 1681c–1) is amended—

6 (1) in subsection (a)—

7 (A) in the subsection heading, by striking
8 “ONE-CALL” and inserting “ONE-YEAR”;

9 (B) in paragraph (1)—

10 (i) in the paragraph heading, by strik-
11 ing “INITIAL ALERTS” and inserting “IN
12 GENERAL”;

13 (ii) by inserting “or harmed by the
14 unauthorized disclosure of the consumer’s
15 financial or personally identifiable informa-
16 tion,” after “identity theft,”;

17 (iii) in subparagraph (A), by striking
18 “and” at the end;

19 (iv) in subparagraph (B)—

20 (I) by inserting “1-year” before
21 “fraud alert”; and

22 (II) by striking the period at the
23 end and inserting “; and”; and

24 (v) by adding at the end the following
25 new subparagraph:

1 “(C) upon the expiration of the 1-year pe-
2 riod described in subparagraph (A) or a subse-
3 quent 1-year period, and in response to a direct
4 request by the consumer or such representative,
5 continue the fraud alert for a period of 1 addi-
6 tional year if the information asserted in this
7 paragraph remains applicable.”; and

8 (C) in paragraph (2)—

9 (i) by inserting “1-year” before
10 “fraud alert”;

11 (ii) in subparagraph (A), by inserting
12 “and credit score” after “file”; and

13 (iii) in subparagraph (B), by striking
14 “any request described in subparagraph
15 (A)” and inserting “the consumer report-
16 ing agency includes the 1-year fraud alert
17 in the file of a consumer”;

18 (2) in subsection (b)—

19 (A) in the subsection heading, by striking
20 “EXTENDED” and inserting “SEVEN-YEAR”;

21 (B) in paragraph (1)—

22 (i) in subparagraph (B)—

23 (I) by striking “5-year period be-
24 ginning on the date of such request”

1 and inserting “such 7-year period”;

2 and

3 (II) by striking “and” at the end;

4 (ii) in subparagraph (C)—

5 (I) by striking “extended” and
6 inserting “7-year”; and

7 (II) by striking the period at the
8 end and inserting “; and”; and

9 (iii) by adding at the end the fol-
10 lowing new subparagraph:

11 “(D) upon the expiration of such 7-year
12 period or a subsequent 7-year period, and in re-
13 sponse to a direct request by the consumer or
14 such representative, continue the fraud alert for
15 a period of 7 additional years if the consumer
16 or such representative submits an updated iden-
17 tity theft report.”; and

18 (C) in paragraph (2), by amending sub-
19 paragraph (A) to read as follows:

20 “(A) disclose to the consumer that the con-
21 sumer may request a free copy of the file and
22 credit score of the consumer pursuant to section
23 612(d) during each 12-month period beginning
24 on the date on which the 7-year fraud alert was
25 included in the file and ending on the date of

1 the last day that the 7-year fraud alert applies
2 to the consumer's file; and”;

3 (3) in subsection (c)—

4 (A) by redesignating paragraphs (1), (2),
5 and (3), as subparagraphs (A), (B), and (C),
6 respectively (and conforming the margins ac-
7 cordingly);

8 (B) by striking “Upon the direct request”
9 and inserting:

10 “(1) IN GENERAL.—Upon the direct request”;

11 and

12 (C) by adding at the end the following new
13 paragraph:

14 “(2) ACCESS TO FREE REPORTS AND CREDIT
15 SCORES.—If a consumer reporting agency includes
16 an active duty alert in the file of an active duty mili-
17 tary consumer, the consumer reporting agency
18 shall—

19 “(A) disclose to the active duty military
20 consumer that the active duty military con-
21 sumer may request a free copy of the file and
22 credit score of the active duty military con-
23 sumer pursuant to section 612(d), during each
24 12-month period beginning on the date that the
25 activity duty military alert is requested and

1 ending on the date of the last day the active
2 duty alert applies to the file of the active duty
3 military consumer; and

4 “(B) provide to the active duty military
5 consumer all disclosures required to be made
6 under section 609, without charge to the con-
7 sumer, not later than 3 business days after any
8 request described in subparagraph (A).”;

9 (4) by amending subsection (d) to read as fol-
10 lows:

11 “(d) PROCEDURES.—Each consumer reporting agen-
12 cy described in section 603(p) shall include on the
13 webpage required under subsection (i) policies and proce-
14 dures to comply with this section, including policies and
15 procedures—

16 “(1) that inform consumers of the availability
17 of 1-year fraud alerts, 7-year fraud alerts, active
18 duty alerts, and security freezes (as applicable);

19 “(2) that allow consumers to request 1-year
20 fraud alerts, 7-year fraud alerts, and active duty
21 alerts (as applicable) and to place, temporarily lift,
22 or fully remove a security freeze in a simple and
23 easy manner; and

24 “(3) for asserting in good faith a suspicion that
25 the consumer has been or is about to become a vic-

1 tim of identity theft, fraud, or a related crime, or
2 harmed by the unauthorized disclosure of the con-
3 sumer’s financial or personally identifiable informa-
4 tion, for a consumer seeking a 1-year fraud alert or
5 security freeze.”;

6 (5) in subsection (e)—

7 (A) by inserting “1-year or 7-year” before
8 “fraud alert”; and

9 (B) by amending paragraph (3) to read as
10 follows:

11 “(3) subparagraphs (A) and (B) of subsection
12 (e)(1), in the case of a referral under subsection
13 (e)(1)(C).”;

14 (6) in subsection (f), by striking “or active duty
15 alert” and inserting “, active duty alert, or security
16 freeze (as applicable)”;

17 (7) in subsection (g)—

18 (A) by inserting “or has been harmed by
19 the unauthorized disclosure of the consumer’s
20 financial or personally identifiable information,
21 or to inform such agency of the consumer’s par-
22 ticipation in credit restoration or rehabilitation
23 under section 605D, 605E, or 605F,” after
24 “identity theft,”; and

1 (B) by inserting “or security freezes” after
2 “request alerts”;

3 (8) in subsection (h)—

4 (A) in paragraph (1)—

5 (i) in the paragraph heading, by strik-
6 ing “INITIAL” and inserting “1-YEAR”; and

7 (ii) by striking “initial” and inserting
8 “1-year” each place such term appears;
9 and

10 (B) in paragraph (2)—

11 (i) in the paragraph heading, by strik-
12 ing “EXTENDED” and inserting “7-YEAR”;
13 and

14 (ii) by striking “extended” and insert-
15 ing “7-year” each place such term appears;
16 and

17 (9) in subsection (i)(4)—

18 (A) by striking subparagraphs (E) and (I);

19 and

20 (B) by redesignating subparagraphs (F),
21 (G), (H), and (J) as subparagraphs (E), (F),
22 (G), and (H), respectively.

1 **SEC. 204. AMENDMENT TO SECURITY FREEZES FOR CON-**
2 **SUMER REPORTS.**

3 (a) IN GENERAL.—Section 605A(i) of the Fair Credit
4 Reporting Act (15 U.S.C. 1681c–1(i)) is amended—

5 (1) by amending the subsection heading to read
6 as follows: “SECURITY FREEZES FOR CONSUMER
7 REPORTS”;

8 (2) in paragraph (3)(E), by striking “Upon re-
9 ceiving” and all that follows through “subparagraph
10 (C),” and inserting “Upon receiving a direct request
11 from a consumer for a temporary removal of a secu-
12 rity freeze, a consumer reporting agency shall”; and

13 (3) by adding at the end the following:

14 “(7) RELATION TO STATE LAW.—This sub-
15 section does not modify or supersede the laws of any
16 State relating to security freezes or other similar ac-
17 tions, except to the extent those laws are incon-
18 sistent with any provision of this title, and then only
19 to the extent of the inconsistency. For purposes of
20 this subsection, a term or provision of a State law
21 is not inconsistent with the provisions of this sub-
22 section if the term or provision affords greater pro-
23 tection to the consumer than the protection provided
24 under this subsection as determined by the Bu-
25 reau.”.

1 (b) AMENDMENT TO WEB PAGE REQUIREMENTS.—
2 Section 605A(i)(6)(A) of the Fair Credit Reporting Act
3 (15 U.S.C. 1681c–1(i)(6)(A)) is amended—

4 (1) in clause (ii), by striking “initial fraud
5 alert” and inserting “1-year fraud alert”;

6 (2) in clause (iii), by striking “extended fraud
7 alert” and inserting “7-year fraud alert”; and

8 (3) in clause (iv), by striking “fraud”.

9 (c) AMENDMENT TO EXCEPTIONS FOR CERTAIN
10 PERSONS.—Section 605A(i)(4)(A) of the Consumer Cred-
11 it Protection Act (15 U.S.C. 1681c–1(i)(4)(A)) is amend-
12 ed to read as follows:

13 “(A) A person, or the person’s subsidiary,
14 affiliate, agent, subcontractor, or assignee with
15 whom the consumer has, or prior to assignment
16 had, an authorized account, contract, or debtor-
17 creditor relationship for the purposes of review-
18 ing the active account or collecting the financial
19 obligation owed on the account, contract, or
20 debt.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 subsection (a) shall take effect on the date of the enact-
23 ment of this Act.

1 **SEC. 205. CLARIFICATION OF INFORMATION TO BE IN-**
2 **CLUDED WITH AGENCY DISCLOSURES.**

3 Section 609(c)(2) of such Act (15 U.S.C.
4 1681g(c)(2)) is amended—

5 (1) in subparagraph (B)—

6 (A) by striking “consumer reporting agen-
7 cy described in section 603(p)” and inserting
8 “consumer reporting agency described in sub-
9 section (p) or (x) of section 603”;

10 (B) by striking “the agency” and inserting
11 “such an agency”; and

12 (C) by inserting “and an Internet website
13 address” after “hours”; and

14 (2) in subparagraph (E), by striking “outdated
15 under section 605 or” and inserting “outdated, re-
16 quired to be removed, or”.

17 **SEC. 206. PROVIDES ACCESS TO FRAUD RECORDS FOR VIC-**
18 **TIMS.**

19 Section 609(e) of the Fair Credit Reporting Act (15
20 U.S.C. 1681g(e)) is amended—

21 (1) in paragraph (1)—

22 (A) by striking “resulting from identity
23 theft”;

24 (B) by striking “claim of identity theft”
25 and inserting “claim of fraudulent activity”;
26 and

1 (C) by striking “any transaction alleged to
2 be a result of identity theft” and inserting “any
3 fraudulent transaction”;

4 (2) in paragraph (2)(B)—

5 (A) by striking “identity theft, at the elec-
6 tion of the business entity” and inserting
7 “fraudulent activity”;

8 (B) by amending clause (i) to read as fol-
9 lows:

10 “(i) a copy of an identity theft report;
11 or”; and

12 (C) by amending clause (ii) to read as fol-
13 lows:

14 “(ii) an affidavit of fact that is ac-
15 ceptable to the business entity for that
16 purpose.”;

17 (3) in paragraph (3)(C), by striking “identity
18 theft” and inserting “fraudulent activity”;

19 (4) by striking paragraph (8) and redesignating
20 paragraphs (9) through (13) as paragraphs (8)
21 through (12), respectively; and

22 (5) in paragraph (10) (as so redesignated), by
23 striking “or a similar crime” and inserting “, fraud,
24 or a related crime”.

1 **SEC. 207. REQUIRES BUREAU TO SET PROCEDURES FOR**
2 **REPORTING IDENTITY THEFT, FRAUD, AND**
3 **OTHER RELATED CRIME.**

4 Section 621(f)(2) of the Fair Credit Reporting Act
5 (15 U.S.C. 1681s(f)(2)) is amended—

6 (1) in the paragraph heading, by striking
7 “MODEL FORM” and inserting “STANDARDIZED AF-
8 FIDAVIT”;

9 (2) by striking “The Commission” and insert-
10 ing “The Bureau”;

11 (3) by striking “model form” and inserting
12 “standardized affidavit”;

13 (4) by inserting after “identity theft” the fol-
14 lowing: “, fraud, or a related crime, or otherwise are
15 harmed by the unauthorized disclosure of the con-
16 sumer’s financial or personally identifiable informa-
17 tion,”; and

18 (5) by striking “fraud.” and inserting “identity
19 theft, fraud, or other related crime. Such standard-
20 ized affidavit and procedures shall not include a re-
21 quirement that a consumer obtain a police report.”.

22 **SEC. 208. ESTABLISHES THE RIGHT TO FREE CREDIT MONI-**
23 **TORING AND IDENTITY THEFT PROTECTION**
24 **SERVICES FOR CERTAIN CONSUMERS.**

25 (a) ENFORCEMENT OF CREDIT MONITORING FOR
26 SERVICEMEMBERS.—

1 (1) IN GENERAL.—Subsection (k) of section
2 605A (15 U.S.C. 1681c–1(a)) is amended by strik-
3 ing paragraph (4).

4 (2) EFFECTIVE DATE.—This subsection and the
5 amendments made by this subsection shall take ef-
6 fect on the date of the enactment of this Act.

7 (b) FREE CREDIT MONITORING AND IDENTITY
8 THEFT PROTECTION SERVICES FOR CERTAIN CON-
9 SUMERS.—Subsection (k) of section 605A (15 U.S.C.
10 1681c–1), is amended to read as follows:

11 “(k) CREDIT MONITORING AND IDENTITY THEFT
12 PROTECTION SERVICES.—

13 “(1) IN GENERAL.—Upon the direct request of
14 a consumer, a consumer reporting agency described
15 in section 603(p) that maintains a file on the con-
16 sumer and has received appropriate proof of the
17 identity of the requester (as described in section
18 1022.123 of title 12, Code of Federal Regulations)
19 shall provide the consumer with credit monitoring
20 and identity theft protection services not later than
21 1 business day after receiving such request sent by
22 postal mail, toll-free telephone, or secure electronic
23 means as established by the agency.

24 “(2) FEES.—

1 “(A) CLASSES OF CONSUMERS.—The Bu-
2 reau may establish classes of consumers eligible
3 to receive credit monitoring and identity theft
4 protection services free of charge.

5 “(B) NO FEE.—A consumer reporting
6 agency described in section 603(p) may not
7 charge a consumer a fee to receive credit moni-
8 toring and identity theft protection services if
9 the consumer or a representative of the con-
10 sumer—

11 “(i) asserts in good faith a suspicion
12 that the consumer has been or is about to
13 become a victim of identity theft, fraud, or
14 a related crime, or harmed by the unau-
15 thorized disclosure of the consumer’s fi-
16 nancial or personally identifiable informa-
17 tion;

18 “(ii) is unemployed and intends to
19 apply for employment in the 60-day period
20 beginning on the date on which the request
21 is made;

22 “(iii) is a recipient of public welfare
23 assistance;

24 “(iv) is an active duty military con-
25 sumer or a member of the National Guard

1 (as defined in section 101(c) of title 10,
2 United States Code);

3 “(v) is 65 years of age or older; or

4 “(vi) is a member of a class estab-
5 lished by the Bureau under subparagraph
6 (A).

7 “(3) BUREAU RULEMAKING.—The Bureau shall
8 issue regulations—

9 “(A) to define the scope of credit moni-
10 toring and identity theft protection services re-
11 quired under this subsection; and

12 “(B) to set a fair and reasonable fee that
13 a consumer reporting agency may charge a con-
14 sumer (other than a consumer described under
15 paragraph (2)(B)) for such credit monitoring
16 and identity theft protection services.

17 “(4) RELATION TO STATE LAW.—This sub-
18 section does not modify or supersede of the laws of
19 any State relating to credit monitoring and identity
20 theft protection services or other similar actions, ex-
21 cept to the extent those laws are inconsistent with
22 any provision of this title, and then only to the ex-
23 tent of the inconsistency. For purposes of this sub-
24 section, a term or provision of a State law is not in-
25 consistent with the provisions of this subsection if

1 the term or provision affords greater protection to
2 the consumer than the protection provided under
3 this subsection as determined by the Bureau.”.

4 **SEC. 209. ENSURES REMOVAL OF INQUIRIES RESULTING**
5 **FROM IDENTITY THEFT, FRAUD, OR OTHER**
6 **RELATED CRIME FROM CONSUMER REPORTS.**

7 Section 605(a) of the Fair Credit Reporting Act (15
8 U.S.C. 1681c(a)), as amended by section 103, is further
9 amended by adding at the end the following:

10 “(17) Information about inquiries made for a
11 credit report based on requests that the consumer
12 reporting agency verifies were initiated as the result
13 of identity theft, fraud, or other related crime.”.

14 **TITLE III—MISCELLANEOUS**

15 **SEC. 301. DEFINITIONS.**

16 Section 603 of the Fair Credit Reporting Act (15
17 U.S.C. 1681a) is further amended by adding at the end
18 the following:

19 “(bb) DEFINITIONS RELATED TO DAYS.—

20 “(1) CALENDAR DAY; DAY.—The term ‘calendar
21 day’ or ‘day’ means a calendar day, excluding any
22 federally recognized holiday.

23 “(2) BUSINESS DAY.—The term ‘business day’
24 means a day between and including Monday to Fri-

1 day, and excluding any federally recognized holi-
2 day.”.

3 **SEC. 302. TECHNICAL CORRECTION RELATED TO RISK-**
4 **BASED PRICING NOTICES.**

5 Section 615(h)(8) of the Fair Credit Reporting Act
6 (15 U.S.C. 1681m) is amended—

7 (1) in subparagraph (A), by striking “this sec-
8 tion” and inserting “this subsection”; and

9 (2) in subparagraph (B), by striking “This sec-
10 tion” and inserting “This subsection”.

11 **SEC. 303. FCRA FINDINGS AND PURPOSE; VOIDS CERTAIN**
12 **CONTRACTS NOT IN THE PUBLIC INTEREST.**

13 (a) FCRA FINDINGS AND PURPOSE.—Section 602 of
14 the Fair Credit Reporting Act (15 U.S.C. 1681(a)) is
15 amended—

16 (1) in subsection (a)—

17 (A) by amending paragraph (1) to read as
18 follows:

19 “(1) Many financial and non-financial decisions af-
20 fecting consumers’ lives depend upon fair, complete, and
21 accurate credit reporting. Inaccurate and incomplete cred-
22 it reports directly impair the efficiency of the financial sys-
23 tem and undermine the integrity of using credit reports
24 in other circumstances, and unfair credit reporting and
25 credit scoring methods undermine the public confidence

1 which is essential to the continued functioning of the fi-
2 nancial services system and the provision of many other
3 consumer products and services.”; and

4 (B) in paragraph (4), by inserting after
5 “agencies” the following: “, furnishers, and
6 credit scoring developers”; and

7 (2) in subsection (b)—

8 (A) by striking “It is the purpose of this
9 title to require” and inserting the following:

10 “The purpose of this title is the following:

11 “(1) To require”; and

12 (B) by adding at the end the following:

13 “(2) To prohibit any practices and procedures
14 with respect to credit reports and credit scores that
15 are not in the public interest.”.

16 (b) VOIDING OF CERTAIN CONTRACTS NOT IN THE
17 PUBLIC INTEREST.—

18 The Fair Credit Reporting Act (15 U.S.C. 1681
19 et seq.), as amended by section 107, is further
20 amended—

21 (1) by adding at the end the following new sec-
22 tion:

1 **“§ 631. Voiding of certain contracts not in the public**
2 **interest**

3 “(a) IN GENERAL.—Any provision contained in a
4 contract that requires a person to not follow a provision
5 of this title, that is against the public interest, or that
6 otherwise circumvents the purposes of this title shall be
7 null and void.

8 “(b) RULE OF CONSTRUCTION.—Nothing in sub-
9 section (a) shall be construed as affecting other provisions
10 of a contract that are not described under subsection
11 (a).”; and

12 (2) in the table of contents for such Act, by
13 adding at the end the following new item:

“631. Voiding of certain contracts not in the public interest.”.

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