

# Credit Reports



## Fair Credit Reporting

The treatise on credit reporting, with new changes required by Dodd-Frank, new CFPB rules, FTC staff interpretations, and recent case law.

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### ***HOT TOPICS***

- Report: Mission Creep: a Primer on Use of Credit Reports & Scores for Non-Credit Purposes, Aug. 2022
- Press Release: Consumer Advocates Cheer Removal of Most Medical Debt from Credit Reports, Mar. 18, 2022
- 2022 Credit & Consumer Reporting Federal Priorities to Promote Economic Stability
- Policy Brief: No Silver Bullet: Using Alternative Data for Financial Inclusion and Racial Justice, Dec. 2021, updated Jun. 2022
- Policy Brief: Assisting Consumers with Rental Debt During COVID-19: Legal Aid and Non-Profit Attorneys Share Their Experiences, Dec. 14, 2021
- Press Release: NCLC Advocates Applaud CFPB's Action to Protect Consumers from False Identification by Background Screening Companies, Nov. 4, 2021
- Testimony of Chi Chi Wu before U.S. House Financial Services Committee, Oversight & Investigations, on Consumer Credit Reporting: Assessing Accuracy and Compliance, May 26, 2021
- Report: Mismatched and Mistaken: How the Use of an Inaccurate Private Database Results In SSI Recipients Unjustly Losing Benefits and press release, April 2021

About 200 million Americans have credit histories on file with the three major credit bureaus, and these bureaus generate more than one billion credit reports each year. Credit reports play a critical role in the economic health of American families. A good credit history enables consumers to obtain credit, and at a fair price. Credit reports are also used by employers, landlords, utility providers, and insurers.

Despite their importance, inaccuracies and errors plague credit reports, with estimates of serious errors affecting up to 25% of reports. The dispute process mandated by the Fair Credit Reporting Act has become a travesty, with the credit bureaus conducting perfunctory investigations by translating detailed written disputes into two or three digit codes and paying foreign workers as little as \$0.57 to process each dispute.

NCLC played a key role in the passage of the Fair and Accurate Credit Transactions Act of 2003, and will continue to advocate for consumers to ensure that every American is treated with fairness by the credit reporting system.

## Policy Analysis

### Credit Reports Policy Briefs, Reports, Articles & Press Releases

- Issue Brief: Credit Monitoring: A Bad Deal for Consumers, Sep. 2022
- Press Release: Consumer Advocates Applaud CFPB Rule Affirming States' Ability to Police Credit, Jun. 28, 2022
- Issue Brief: Zombie Records: How Sealed or Expunged Court Records in Tenant & Employment Screening Reports May Illegally Cost People Jobs & Housing, Jun. 2022
- Press Release: Advocates Applaud CFPB Report Highlighting the Toll of Inaccurate Medical Billing on Consumers, Apr. 20, 2022
- Press Release: CFPB Action Against Transunion Shows Need for Public Credit Registry; Consumers Warned to Avoid Credit Monitoring, Apr. 12, 2022
- Press Release: Consumer Advocates Cheer Removal of Most Medical Debt from Credit Reports, Mar. 18, 2022
- Press Release: Advocates Applaud VA Rule to Dramatically Reduce Unfavorable Debt on Veterans' Credit Reports, Feb. 2, 2022
- Issue Brief: What States Can Do About Credit Repair Abuses, Jan. 2022
- Press Release: NCLC Advocates Applaud CFPB Bulletin To Prevent Unlawful Medical Debt Collection and Credit Reporting, Jan. 13, 2022
- Press Release: NCLC Advocate Applauds CFPB Report Spotlighting Deficiencies in Credit Bureaus' Complaint Handling; Calls for Fundamental Reform of Troubled Industry, Jan. 6, 2021
- Policy Brief: No Silver Bullet: Using Alternative Data for Financial Inclusion and Racial Justice, Dec. 2021, updated Jun. 2022
- Policy Brief: Assisting Consumers with Rental Debt During COVID-19: Legal Aid and Non-Profit Attorneys Share Their Experiences, Dec. 14, 2021
- Press Release: Advocates Urge CFPB to Prevent Rental Debt From Becoming a Barrier to Housing, Dec. 14, 2021
- Press Release: NCLC Advocates Applaud CFPB's Action to Protect Consumers from False Identification by Background Screening Companies, Nov. 4, 2021
- Issue Brief: Ramirez, Faux-Federalism, and the Futility of Consumer Disclosure Protections, Aug. 2021
- Fact Sheet: An Act Relative to the Use of Credit Reporting in Housing, MA H. 1429/S. 894, the Fair Chance in Housing Act, April 2021
- Fact Sheet: An Act Regulating the Use of Credit Reports by Employers, MA H. 2019/S. 1154, the Fair Chance in Employment Act, April 2021
- Report: Mismatched and Mistaken: How the Use of an Inaccurate Private Database Results In SSI Recipients Unjustly Losing Benefits and press release, April 2021
- Issue Brief: The Credit Score Pandemic Paradox and Credit Invisibility, Feb. 2021
- Issue Brief: Doing Special Purpose Credit Programs Right: Why Programs to Assist Black Communities Should Avoid Conventional Use of Traditional Credit Scores, Feb. 2021
- Press Statement: Consumer Advocates Commemorate the 50th Anniversary of the Fair Credit Reporting Act, Oct. 26, 2020
- Issue Brief: Salt in the Wound: How Eviction Records and Back Rent Haunt Tenant Screening Reports and Credit Scores, August 2020
- Article: Enforcing the CARES Act Credit Reporting Protections, May 2020
- Issue Brief: Protecting Credit Reports During the Covid-19 Crisis, April 2020
- Issue Brief: Credit Reports and the Covid-19 Crisis: What States Should Do to Help Consumers, March 2020
- Press Release: Advocates Applaud Halt to Foreclosures and Bills to Stabilize Homeownership

and Protect Credit Reports but Highlight Need for Further Relief During Pandemic, March 19, 2020

- Press Release: Consumer Advocates Praise Passage of Landmark Bill in U.S. House to Reform Credit Reporting Industry, Jan. 30, 2020
- Report: Broken Records Redux: How Errors by Criminal Background Check Companies Continue to Harm Consumers Seeking Jobs and Housing, Dec. 2019
- Press Release: Statement Regarding Bank Regulators' Guidance on Alternative Data, December 4, 2019
- Report: Don't Add Insult to Injury: Medical Debt & Credit Reports, November 2019
- Issue Brief: Credit Invisibility and Alternative Data: Promises and Perils, July 2019
- Report: Automated Injustice Redux: Ten Years after a Key Report, Consumers Are Still Frustrated Trying to Fix Credit Reporting Errors, Feb. 25, 2019 Press Release
- Issue brief: The Wrong Tool for the Wrong Purpose: Why the Credit Scoring Provision in the Immigration Public Charge Proposal Is Illogical and Ill-Advised, Oct. 2018
- Issue Brief: Credit Reports and Forced Arbitration: Will Congress Strip Americans of Their Day in Court?, September 2017
- Policy brief: Past Imperfect: How Credit Scores and Other Analytics "Bake In" and Perpetuate Past Discrimination, May, 2016
- Report and Press Release: Account Screening Consumer Reporting Agencies Impede Access for Millions (Cities for Financial Empowerment Fund, NCLC and Bank On), October 2015
- Solving the Credit Conundrum: Helping Consumers' Credit Records Impaired by the Foreclosure Crisis and Great Recession, Dec. 2013
- Report: Automated Injustice: How a Mechanized Dispute System Frustrates Consumers Seeking to Fix Errors in Their Credit Reports, Jan. 2009

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## **Credit Reports Comments and Testimony**

- Consumer & Survivor Advocacy Groups Comments to CFPB on Proposed Rule to Protect Trafficking Survivors, May 9, 2022
- NCLC & NHLP Comments to the Consumer Financial Protection Bureau re: Fees Imposed by Providers of Consumer Financial Products or Services, Apr. 11, 2022
- Testimony of Ariel Nelson before the House Economic Matters Committee of the Maryland General Assembly, in favor of H.B. 251, Jan. 24, 2022
- Testimony of Chi Chi Wu before the Massachusetts legislature in support of H.1429/S.894: An Act Regulating the Use of Credit Reporting in Housing, Jan. 18, 2022
- Testimony of Chi Chi Wu before the FinTech Task Force of the House Financial Services Committee re: Preserving the Right of Consumers to Access Personal Financial Data, Sep. 21, 2021
- Comments to the Consumer Financial Protection Bureau re: Financial Institutions' Use of Artificial Intelligence and Machine Learning, Jul. 1, 2021
- Testimony of Chi Chi Wu before U.S. House Financial Services Committee re: A Biased, Broken System: Examining Proposals to Overhaul Credit Reporting to Achieve Equity, Jun. 29 2021
- Testimony of Chi Chi Wu before U.S. House Financial Services Committee, Oversight & Investigations, on Consumer Credit Reporting: Assessing Accuracy and Compliance, May 26, 2021
- Testimony of NCLC Attorney Ariel Nelson in Support of HB 6528 Before the Housing Committee of the Connecticut General Assembly, Mar. 4, 2021
- Comments in Response to the Social Security Administration's Notification re: Use of Equifax's

Work Number Subsidiary to Screen SSI and SSDI Recipients, Feb. 18, 2021

- Comments to the CFPB in Response to the ANPR Regarding Consumer Access to Financial Records Under Section 1033 of the Dodd-Frank Act, Feb. 4, 2021
- Testimony of NCLC Attorney Ariel Nelson Before the House Economic Matters Committee of the Maryland General Assembly in Support of MD HB 0642, a Bill Designed to Address Problems with Accuracy in Background Screening Reports, Feb. 3, 2021
- Written Statement for CFPB's Symposium on Consumer Access to Financial Records, Section 1033 of the Dodd-Frank Act, Feb. 12, 2020
- Testimony of NCLC Associate Director Lauren Saunders before the U.S. House Financial Services Committee on Data Aggregators, Nov. 21, 2019
- NCLC and other advocacy groups comments to the FTC re: Safeguards Rule, Aug. 2, 2019
- Testimony of Chi Chi Wu before the U.S. House Task Force on Use of Alternative Credit Data to Expand Access to Credit, July 2019
- Group comments to the FHFA re: Validation and Approval of Credit Score Models, March 21, 2019
- Testimony of Chi Chi Wu to U.S. House Financial Services: "Who's Keeping Score? Holding Credit Bureaus Accountable and Repairing a Broken System", February 26, 2019
- Consumer, Civil Rights, and Privacy Advocates comments to the Department of Homeland Security opposing Notice of Proposed Rulemaking on Public Charge Determinations, Dec. 10, 2018
- Comments to the Federal Housing Finance Agency regarding updating the credit scoring models used by Fannie Mae and Freddie Mac, March 30, 2018
- Group comments to CFPB's Request for Information on Alternative Data, May 19, 2017

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## **Credit Reports Letters**

- Letter from 91 Organizations to CFPB Director Asking for Rulemaking to Ban Medical Debt from Credit Reports, Sep. 26, 2022
- Group Letter Urging Credit Bureaus to Fix Credit Reporting Problems for Transgender and Nonbinary Consumers, Feb. 24, 2022
- Group Letter Urging CFPB to Eliminate the "Credit Header" Exclusion to Keep Credit and Consumer Report Private, Jan. 2022
- Letter Urging CFPB to Protect Consumers with Rental Debt and Accompanying NCLC Rental Debt Survey, Dec. 14, 2021
- Group Letter to HUD re: Removing Credit Reports and Credit Scores as a Barrier to Public and Subsidized Housing, Nov. 3, 2021
- Letter from 143 Organizations Urging CFPB to Prohibit Debt Collectors from Reporting Rent Arrears to Credit Bureaus for Debt Accrued During COVID-19 Pandemic, May 6, 2021
- Letter prompted by COVID-19 economic upheaval calling on Equifax, Experian, and TransUnion to provide credit reports in Spanish and other languages used by consumers who are limited English proficient, October 19, 2020. Response from Consumer Data Industry Association (credit bureau trade group), October 29, 2020. Response from Equifax, October 30, 2020
- Support letter for credit reporting provisions of the HEROES Act/S.3508, June 24, 2020
- Consumer Groups' Letter in Support of H.R.5332 Protecting Your Credit Score Act. (Gottheimer)
- Group Letter urging Congress to include S. 1581/HR 6470 the Medical Debt Relief Act of 2019 in the next Covid-19 relief package, May 11, 2020
- Consumer groups' letter of support re: Consumer Credit Control Act, Oct. 21, 2019

- Letter in support of the Accurate Access to Credit Information Act 2019, July 2019
- Letter responding to U.S. Senators Mike Crapo and Sherrod Brown's Call for Feedback on Data Privacy, Protection, and Collection, Mar. 15, 2019
- H.R. 435, Credit Access and Inclusion Act. Consumer opposition letter, Dec. 8, 2017

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## Policy Analysis Archive

## Litigation

- Amicus brief supporting Plaintiff/Appellant in *Henderson v. the Source for Public Data*, Oct. 15, 2021
- Amicus brief supporting the State of Maine in *CDIA v. Frey*, Jan. 26, 2021
- Amicus brief supporting Plaintiff/Respondent in *Ramirez v. TransUnion*
- Amicus brief in *State of Washington, et al v. US Department of Homeland Security, et al.*
- Amicus brief in *Cook County, IL and IL Coalition for Immigrant and Refugee Rights v. Chad F. Wolfe, et al.*, Jan. 24, 2020
- Amicus brief of NCLC and Legal Aid Justice Center in *City and County of San Francisco and County of Santa Clara v. US Dept. of Homeland Security et. al.*, January 23, 2020
- Amicus brief of NCLC and Legal Aid Justice Center in *State of California et. al. v. US Dept. of Homeland Security et al.*, January 23, 2020
- *Robinson v National Student Clearinghouse*, April 18, 2019 Complaint

## Consumer Information

- The Truth About Credit Reports & Credit Repair Companies
- Disputing Errors in a Credit Report
- Understanding Credit Scores
- What You Should Know About Your Credit Report
- Protect Yourself from Identity Theft

## Resources

- CFPB releases 2021 list of consumer reporting companies.