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# H. R. 2622

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IN THE SENATE OF THE UNITED STATES

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Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

To amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit 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; TABLE OF CONTENTS.**

4        (a) SHORT TITLE.—This Act may be cited as the  
 5 “Fair and Accurate Credit Transactions Act of 2003”.

6        (b) TABLE OF CONTENTS.—The table of contents for  
 7 this Act are as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Effective dates.

TITLE I—UNIFORM NATIONAL CONSUMER PROTECTION  
STANDARDS

- Sec. 101. Uniform national consumer protection standards made permanent.

TITLE II—IDENTITY THEFT PREVENTION

- Sec. 201. Investigating changes of address and inactive accounts.
- Sec. 202. Fraud alerts.
- Sec. 203. Truncation of credit card and debit card account numbers.
- Sec. 204. Summary of rights of identity theft victims.
- Sec. 205. Blocking of information resulting from identity theft.
- Sec. 206. Establishment of procedures for depository institutions to identify possible instances of identity theft.
- Sec. 207. Study on the use of technology to combat identity theft.

TITLE III—IMPROVING RESOLUTION OF CONSUMER DISPUTES

- Sec. 301. Coordination of consumer complaint investigations.
- Sec. 302. Notice of dispute through reseller.
- Sec. 303. Reasonable investigation required.
- Sec. 304. Duties of furnishers of information.
- Sec. 305. Prompt investigation of disputed consumer information.

TITLE IV—IMPROVING ACCURACY OF CONSUMER RECORDS

- Sec. 401. Reconciling addresses.
- Sec. 402. Prevention of repollution of consumer reports.
- Sec. 403. Notice by users with respect to fraudulent information.
- Sec. 404. Disclosure to consumers of contact information for users and furnishers of information in consumer reports.
- Sec. 405. FTC study of the accuracy of consumer reports.

TITLE V—IMPROVEMENTS IN USE OF AND CONSUMER ACCESS  
TO CREDIT INFORMATION

- Sec. 501. Free reports annually.
- Sec. 502. Disclosure of credit scores.

- Sec. 503. Simpler and easier method for consumers to use notification system.  
 Sec. 504. Requirement to disclose communications to a consumer reporting agency.  
 Sec. 505. Study of effects of credit scores and credit-based insurance scores on availability and affordability of financial products.  
 Sec. 506. GAO study on disparate impact of credit system.  
 Sec. 507. Analysis of further restrictions on offers of credit or insurance.  
 Sec. 508. Study on the need and the means for improving financial literacy among consumers.  
 Sec. 509. Disclosure of increase in APR under certain circumstances.

TITLE VI—PROTECTING EMPLOYEE MISCONDUCT  
 INVESTIGATIONS

- Sec. 601. Certain employee investigation communications excluded from definition of consumer report.

TITLE VII—LIMITING THE USE AND SHARING OF MEDICAL  
 INFORMATION IN THE FINANCIAL SYSTEM

- Sec. 701. Protection of medical information in the financial system.  
 Sec. 702. Confidentiality of medical information in credit reports.

**1 SEC. 2. DEFINITIONS.**

2 Section 603 of the Fair Credit Reporting Act (15  
 3 U.S.C. 1681a) is amended by adding at the end the fol-  
 4 lowing new subsections:

5 “(r) RESELLER.—The term ‘reseller’ means a con-  
 6 sumer reporting agency that—

7 “(1) assembles and merges information con-  
 8 tained in the database of another consumer report-  
 9 ing agency or multiple consumer reporting agencies  
 10 concerning any consumer for purposes of furnishing  
 11 such information to any third party, to the extent of  
 12 such activities; and

13 “(2) does not maintain a database of the as-  
 14 sembled or merged information from which new con-  
 15 sumer reports are produced.

1 “(s) OTHER DEFINITIONS.—

2 “(1) BOARD; CREDIT; CREDITOR; CREDIT  
3 CARD.—The terms ‘Board’, ‘credit’, ‘creditor’, and  
4 ‘credit card’ have the same meanings as in section  
5 103 of the Truth in Lending Act.

6 “(2) COMMISSION.—The term ‘Commission’  
7 means the Federal Trade Commission.

8 “(3) DEBIT CARD.—The term ‘debit card’  
9 means any card issued by a financial institution to  
10 a consumer for use in initiating electronic fund  
11 transfers (as defined in section 903(6) of the Elec-  
12 tronic Fund Transfer Act) from the account (as de-  
13 fined in such Act) of the consumer at such financial  
14 institution for the purpose of transferring money be-  
15 tween accounts or obtaining money, property, labor,  
16 or services.

17 “(4) ELECTRONIC FUND TRANSFER.—The term  
18 ‘electronic fund transfer’ has the same meaning as  
19 in section 903 of the Electronic Fund Transfer Act.

20 “(5) FEDERAL BANKING AGENCY.—The term  
21 ‘Federal banking agency’ has the same meaning as  
22 in section 3 of the Federal Deposit Insurance Act.

23 “(6) IDENTITY THEFT.—The term ‘identity  
24 theft’ means a fraud committed using another per-  
25 son’s identifying information, subject to such further

1 definition as the Commission and the Board may  
2 prescribe, jointly, by regulation.

3 “(7) POLICE REPORT.—The term ‘police report’  
4 means a copy of any official valid report filed by a  
5 consumer with any appropriate Federal, State, or  
6 local government law enforcement agency, or any  
7 comparable official government document that the  
8 Board and the Commission shall jointly prescribe in  
9 regulations, that is subject to a criminal penalty for  
10 false statements.”.

11 **SEC. 3. EFFECTIVE DATES.**

12 (a) IN GENERAL.—Except as provided in subsections  
13 (b) and (c)—

14 (1) before the end of the 2-month period begin-  
15 ning on the date of the enactment of this Act, the  
16 Board of Governors of the Federal Reserve System  
17 and the Federal Trade Commission shall jointly pre-  
18 scribe regulations in final form establishing effective  
19 dates for each provision of this Act (except as other-  
20 wise specified); and

21 (2) the regulations prescribed under paragraph  
22 (1) shall establish effective dates that are as early  
23 as possible while allowing a reasonable time for the  
24 implementation of the provisions of this Act, but in  
25 no case shall the effective date be later than 10

1 months after the date of issuance of such regula-  
2 tions in final form.

3 (b) IMMEDIATE EFFECTIVE DATE.—The following  
4 provisions shall take effect on the date of the enactment  
5 of this Act:

6 (1) Title I.

7 (2) Section 201.

8 (3) Section 609(d)(1) of the Fair Credit Re-  
9 porting Act (as added by the amendment in section  
10 204(a)).

11 (4) Section 305.

12 (5) Section 505.

13 (6) Section 506.

14 (7) Title VI.

15 (c) EFFECTIVE DATE FOR PROTECTION OF MEDICAL  
16 INFORMATION IN THE FINANCIAL SYSTEM.—Section 701  
17 shall take effect at the end of the 180-day period begin-  
18 ning on the date of the enactment of this Act, except that  
19 paragraph (2) of section 604(g) of the Fair Credit Report-  
20 ing Act (as added by section 701) shall take effect on the  
21 later of—

22 (1) the end of the 90-day period beginning on  
23 the date the regulations required under paragraph  
24 (5)(B) of such section 604(g) (as added by section  
25 701) are prescribed in final form; or

1           (2) the date specified in the regulations referred  
2           to in paragraph (1).

3           (d) CRITERIA FOR ORDERLY IMPLEMENTATION OF  
4 FREE ANNUAL CREDIT REPORT PROVISION.—

5           (1) IN GENERAL.—In developing the regula-  
6           tions and effective dates under subsection (a) (and  
7           subject to the time limits in paragraph (2) and sub-  
8           section (a)), the Federal Trade Commission and the  
9           Board of Governors of the Federal Reserve System  
10          shall provide a systematic approach for imple-  
11          menting the amendment made by section 501 that  
12          allows for an orderly transition to the consumer re-  
13          port distribution system required by the amendment  
14          in a manner that—

15                 (A) does not temporarily overwhelm con-  
16                 sumer reporting agencies with requests for dis-  
17                 closures of consumer reports beyond their ca-  
18                 pacity to deliver; and

19                 (B) does not deny creditors, other users,  
20                 and consumers access to consumer credit re-  
21                 ports on a time-sensitive basis for specific pur-  
22                 poses, such as home purchases or suspicions of  
23                 identity theft, during the transition period.

24           (2) PROHIBITION ON EXTENSION OF EFFEC-  
25           TIVE DATE.—

1 (A) ONE-TIME AUTHORIZATION.—The  
2 Federal Trade Commission and the Board of  
3 Governors of the Federal Reserve System may  
4 exercise the authority provided under paragraph  
5 (1) only once during the 2-month period re-  
6 ferred to in subsection (a)(1).

7 (B) EXTENSION OF EFFECTIVE DATE PRO-  
8 HIBITED.—No provision of this subsection shall  
9 be construed as extending, or authorizing the  
10 Federal Trade Commission or the Board of  
11 Governors of the Federal Reserve System to ex-  
12 tend, the 2-month period referred to in sub-  
13 section (a)(1) or the 10-month period referred  
14 to in subsection (a)(2) relating to the require-  
15 ments imposed on consumer reporting agencies  
16 by the amendment made by section 501.

17 **TITLE I—UNIFORM NATIONAL**  
18 **CONSUMER PROTECTION**  
19 **STANDARDS**

20 **SEC. 101. UNIFORM NATIONAL CONSUMER PROTECTION**  
21 **STANDARDS MADE PERMANENT.**

22 Section 624(d) of the Fair Credit Reporting Act (15  
23 U.S.C. 1681t(d)) is amended—

24 (1) by striking “Subsections (b) and (c)” and  
25 all that follows through “do not affect any settle-

1 ment,” and inserting “Subsections (b) and (c) do  
2 not affect any settlement,”; and

3 (2) by striking “Consumer Credit Reporting  
4 Reform Act of 1996” and all that follows through  
5 the period at the end of paragraph (2) and inserting  
6 “Consumer Credit Reporting Reform Act of 1996.”.

7 **TITLE II—IDENTITY THEFT**  
8 **PREVENTION**

9 **SEC. 201. INVESTIGATING CHANGES OF ADDRESS AND IN-**  
10 **ACTIVE ACCOUNTS.**

11 (a) IN GENERAL.—Section 605 of the Fair Credit  
12 Reporting Act (15 U.S.C. 1681e) is amended by inserting  
13 after subsection (f), the following new subsection:

14 “(g) ‘RED FLAG’ PATTERNS OF POSSIBLE IDENTITY  
15 THEFT.—

16 “(1) INVESTIGATION OF CHANGES OF AD-  
17 DRESS.—The Federal banking agencies and the Na-  
18 tional Credit Union Administration, in carrying out  
19 the responsibilities of such agencies and Administra-  
20 tion under subsection (k), shall jointly prescribe reg-  
21 ulations for credit card and debit card issuers to en-  
22 sure that, if any such issuer receives a request for  
23 an additional or replacement card for an existing ac-  
24 count within a short period of time after the issuer  
25 has received notification of a change of address for

1 the same account, the issuer will follow reasonable  
2 policies and procedures that require, as appropriate,  
3 that the issuer not issue the additional or replace-  
4 ment card unless the issuer—

5 “(A) notifies the cardholder of the request  
6 at the former address of the cardholder and  
7 provides to the cardholder a means of promptly  
8 reporting incorrect address changes;

9 “(B) notifies the cardholder of the request  
10 by such other means of communication as the  
11 cardholder and the card issuer previously  
12 agreed to; or

13 “(C) uses other means of assessing the va-  
14 lidity of the change of address, in accordance  
15 with reasonable policies and procedures estab-  
16 lished by the card issuer in accordance with the  
17 regulations prescribed under subsection (k).

18 “(2) INACTIVE ACCOUNTS.—The Federal bank-  
19 ing agencies and the National Credit Union Admin-  
20 istration, in carrying out the responsibilities of such  
21 agencies and Administration under subsection (k),  
22 shall consider including, as a possible ‘red flag’ pat-  
23 tern, reasonable guidelines providing that when a  
24 transaction occurs with respect to a credit or deposit  
25 account that has been inactive for more than 2

1 years, the creditor or depository institution shall fol-  
2 low reasonable policies and procedures that provide  
3 for notice to be given to a consumer in a manner  
4 reasonably designed to reduce the likelihood of iden-  
5 tity theft with respect to such account.”.

6 (b) CLERICAL AMENDMENTS.—

7 (1) The heading for section 605 of the Fair  
8 Credit Reporting Act is amended to read as follows:

9 **“§ 605. Requirements relating to information con-**  
10 **tained in consumer reports and to iden-**  
11 **tity theft prevention”.**

12 (2) The table of sections for title VI of the Con-  
13 sumer Credit Protection Act is amended by striking  
14 the item relating to section 605 and inserting the  
15 following new item:

“605. Requirements relating to information contained in consumer reports and  
to identity theft prevention.”.

16 (3) Section 624(b)(1)(E) of the Fair Credit Re-  
17 porting Act (15 U.S.C. 1681t(b)(1)(E)) is amended  
18 by inserting “(and to specific identity theft preven-  
19 tion subjects covered)” after “consumer reports”.

20 **SEC. 202. FRAUD ALERTS.**

21 Section 605 of the Fair Credit Reporting Act (15  
22 U.S.C. 1681c) is amended by adding at the end the fol-  
23 lowing new subsection:

24 “(i) ONE-CALL FRAUD ALERTS.—

1           “(1) INITIAL ALERTS.—Upon the direct request  
2 of a consumer, or an individual acting on behalf of  
3 or as a personal representative of a consumer, who  
4 asserts, in good faith, a suspicion that the consumer  
5 has been or is about to become a victim of fraud or  
6 related crime, including identity theft, a consumer  
7 reporting agency described in section 603(p) shall, if  
8 the agency maintains a file on the consumer who is  
9 making the request and has a reasonable belief that  
10 the agency knows the identity of the consumer—

11           “(A) include a fraud alert in the file of  
12 that consumer for a period of not less than 90  
13 days beginning on the date of such request, un-  
14 less the consumer specifically requests that such  
15 fraud alert be removed before the end of such  
16 period;

17           “(B) disclose to the consumer that the con-  
18 sumer may request a free copy of the file of the  
19 consumer and provide the consumer, upon re-  
20 quest, a free disclosure of the consumer’s file  
21 (as described in section 609(a)) within 3 busi-  
22 ness days after such request;

23           “(C) for 2 years after the date of such re-  
24 quest, exclude the consumer from any list of  
25 consumers prepared by the agency and provided

1 to any third party to offer credit or insurance  
2 to the consumer as part of a transaction that  
3 was not initiated by the consumer, unless the  
4 consumer subsequently requests that such ex-  
5 clusion be rescinded before the end of such pe-  
6 riod; and

7 “(D) refer the information regarding the  
8 fraud alert to each of the other consumer re-  
9 porting agencies described in section 603(p), as  
10 required under section 621(f)(1).

11 “(2) EXTENDED ALERTS.—Upon the direct re-  
12 quest of a consumer, or an individual acting on be-  
13 half of or as a personal representative of a con-  
14 sumer, who contacts a consumer reporting agency  
15 described in section 603(p) to report details of an  
16 identity theft and submits evidence that provides the  
17 agency with reasonable cause to believe that such  
18 identity theft has occurred, the agency shall, if the  
19 agency maintains a file on the consumer who is  
20 making the request and has a reasonable belief that  
21 the agency knows the identity of the consumer—

22 “(A) include a fraud alert in the file of  
23 that consumer and provide an opportunity for  
24 the consumer to extend the alert for a period of  
25 up to 7 years from the date of such request,

1           unless the consumer subsequently requests that  
2           such fraud alert be removed before the end of  
3           such period;

4           “(B) provide the consumer with the option  
5           of including more complete information in the  
6           consumer’s file, including a telephone number  
7           or some other reasonable means of communica-  
8           tion that any person who requests the con-  
9           sumer’s report may utilize for authorization be-  
10          fore establishing a new credit plan in the name  
11          of the consumer; and

12          “(C) provide the consumer with at least 2  
13          free disclosures of the information described in  
14          section 609(a) during the 12-month period be-  
15          ginning on the date of such request.

16          “(3) ACTIVE DUTY ALERTS.—Upon the direct  
17          request of an active duty military consumer, or an  
18          individual acting on behalf of or as a personal rep-  
19          resentative of an active duty military consumer, who  
20          contacts a consumer reporting agency described in  
21          section 603(p), the agency shall, if the agency main-  
22          tains a file on the consumer who is making the re-  
23          quest and has a reasonable belief that the agency  
24          knows the identity of the consumer—

1           “(A) include an active duty alert in the file  
2 of that consumer during a period of not less  
3 than 12 months beginning on the date of the  
4 request, unless the consumer requests that such  
5 active duty alert be removed before the end of  
6 such period;

7           “(B) for 2 years after the date of such re-  
8 quest, exclude the consumer from any list of  
9 consumers prepared by the agency and provided  
10 to any third party to offer credit or insurance  
11 to the consumer as part of a transaction that  
12 was not initiated by the consumer, unless the  
13 consumer subsequently requests that such ex-  
14 clusion be rescinded before the end of such pe-  
15 riod; and

16           “(C) refer the information regarding the  
17 active duty alert to each of the other consumer  
18 reporting agencies described in section 603(p),  
19 as required under section 621(f)(1).

20           “(4) PROCEDURES.—Each consumer reporting  
21 agency described in section 603(p) shall establish  
22 policies and procedures to comply with the obliga-  
23 tions of paragraphs (1), (2), and (3), including pro-  
24 cedures that allow consumers to request initial, ex-

1 tended, or active duty alerts in a simple and easy  
2 manner, including by telephone.

3 “(5) NOTICE TO USERS.—No person who ob-  
4 tains any information that includes a fraud alert  
5 under this section from a file of any consumer from  
6 a consumer reporting agency may establish a new  
7 credit plan in the name of the consumer for a person  
8 other than the consumer without utilizing reasonable  
9 policies and procedures described in paragraph (9).

10 “(6) REFERRALS OF FRAUD ALERTS.—Each  
11 consumer reporting agency described in section  
12 603(p) that receives a referral of a fraud alert from  
13 another such agency pursuant to paragraph (1)(D)  
14 or (3)(C) shall follow the procedures required under  
15 subparagraphs (A), (B), and (C) of paragraph (1),  
16 in the case of a referral under paragraph (1)(D),  
17 and subparagraphs (A) and (B), in the case of a  
18 referral under paragraph (3)(C), as if the agency re-  
19 ceived the request from the consumer directly.

20 “(7) DUTY OF RESELLER TO RECONVEY  
21 ALERT.—A reseller that is notified of the existence  
22 of a fraud alert in a consumer’s consumer report  
23 shall communicate to each person procuring a con-  
24 sumer report with respect to such consumer the ex-  
25 istence of a fraud alert in effect for such consumer.

1           “(8) DUTY OF OTHER CONSUMER REPORTING  
2 AGENCIES TO PROVIDE CONTACT INFORMATION.—If  
3 a consumer contacts any consumer reporting agency  
4 that is not a consumer reporting agency described in  
5 section 603(p) to communicate a suspicion that the  
6 consumer has been or is about to become a victim  
7 of fraud or related crime, including identity theft,  
8 the agency shall provide the consumer with informa-  
9 tion on how to contact the Commission and the con-  
10 sumer reporting agencies described in section 603(p)  
11 to obtain more detailed information and request  
12 alerts under this subsection.

13           “(9) FRAUD ALERT.—

14           “(A) DEFINITION.—For purposes of this  
15 subsection, the term ‘fraud alert’ means, at a  
16 minimum, a statement—

17           “(i) in the file of a consumer that the  
18 consumer may be a victim of fraud, includ-  
19 ing identity theft, or is a consumer de-  
20 scribed in paragraph (3); and

21           “(ii) that is transmitted in a manner  
22 that facilitates a clear and conspicuous  
23 view of the statement by any person re-  
24 questing such file.

1           “(B) OTHER INFORMATION.—A fraud alert  
2 shall include information that notifies all pro-  
3 spective users of a consumer report on the con-  
4 sumer to which the alert relates that the con-  
5 sumer does not authorize establishing any new  
6 credit plan in the name of the consumer, unless  
7 the user utilizes reasonable policies and proce-  
8 dures to form a reasonable belief that the user  
9 knows the identity of the person for whom such  
10 new plan is established, which may include ob-  
11 taining authorization or preauthorization of the  
12 consumer at a telephone number designated by  
13 the consumer or by such other reasonable  
14 means agreed to.

15           “(10) OTHER DEFINITIONS.—For purposes of  
16 this subsection, the following definitions shall apply:

17           “(A) ACTIVE DUTY MILITARY CON-  
18 SUMER.—The term ‘active duty military con-  
19 sumer’ means a consumer in military service  
20 who—

21           “(i) is on active duty (as defined in  
22 section 101(d)(1) of title 10, United States  
23 Code) or is a reservist performing duty  
24 under a call or order to active duty under  
25 a provision of law referred to in section

1 101(a)(13) of title 10, United States Code;  
2 and

3 “(ii) is assigned to service away from  
4 the consumer’s usual duty station.

5 “(B) NEW CREDIT PLAN.—The term ‘new  
6 credit plan’ means a new account under an  
7 open end credit plan (as defined in section  
8 103(i) of this Act) or a new credit transaction  
9 not under an open end credit plan.”.

10 **SEC. 203. TRUNCATION OF CREDIT CARD AND DEBIT CARD**  
11 **ACCOUNT NUMBERS.**

12 (a) IN GENERAL.—Section 605 of the Fair Credit  
13 Reporting Act (15 U.S.C. 1681e) is amended by inserting  
14 after subsection (k) (as added by section 206 of this title)  
15 the following new subsection:

16 “(l) TRUNCATION OF CREDIT CARD AND DEBIT  
17 CARD ACCOUNT NUMBERS.—

18 “(1) IN GENERAL.—Except as provided in this  
19 subsection, no person that accepts credit cards or  
20 debit cards for the transaction of business shall  
21 print the expiration date or more than the last 5  
22 digits of the card number upon any receipt provided  
23 to the cardholder at the point of the sale or trans-  
24 action.

1           “(2) LIMITATION.—This section shall apply  
2           only to receipts that are electronically printed, and  
3           shall not apply to transactions in which the sole  
4           means of recording the person’s credit card or debit  
5           card number is by handwriting or by an imprint or  
6           copy of the card.”.

7           (b) EFFECTIVE DATE.—The amendments made by  
8           subsection (a) shall apply after the end of—

9           (1) the 3-year period beginning on the date of  
10           the enactment of this Act, with respect to any cash  
11           register or other machine or device that electroni-  
12           cally prints receipts for credit card or debit card  
13           transactions that is in use before January 1, 2005;  
14           and

15           (2) the 1-year period beginning on the date of  
16           the enactment of this Act, with respect to any cash  
17           register or other machine or device that electroni-  
18           cally prints receipts for credit card or debit card  
19           transactions that is first put into use on or after  
20           January 1, 2005.

21 **SEC. 204. SUMMARY OF RIGHTS OF IDENTITY THEFT VIC-**  
22 **TIMS.**

23           (a) IN GENERAL.—Section 609 of the Fair Credit  
24           Reporting Act (15 U.S.C. 1681g) is amended by adding  
25           at the end the following new subsection:

1       “(d) SUMMARY OF RIGHTS OF IDENTITY THEFT VIC-  
2       TIMS.—

3               “(1) IN GENERAL.—The Commission, in con-  
4       sultation with the Federal banking agencies and the  
5       National Credit Union Administration, shall prepare  
6       a model summary of the rights of consumers under  
7       this title with respect to the procedures for rem-  
8       edying the effects of fraud or identity theft involving  
9       credit, electronic fund transfers, or accounts or  
10      transactions at or with a financial institution.

11              “(2) SUMMARY OF RIGHTS AND CONTACT IN-  
12      FORMATION.—If any consumer contacts a consumer  
13      reporting agency and expresses a belief that the con-  
14      sumer is a victim of fraud or identity theft involving  
15      credit, electronic fund transfers, or accounts or  
16      transactions at or with a financial institution, the  
17      consumer reporting agency shall, in addition to any  
18      other action the agency may take, provide the con-  
19      sumer with a summary of rights, or other disclosure,  
20      that is the same as or substantially similar to the  
21      model summary of rights prepared by the Commis-  
22      sion under paragraph (1) and information on how to  
23      contact the Commission to obtain more detailed in-  
24      formation.”.

1 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
2 Section 624(b)(3) of the Fair Credit Reporting Act (15  
3 U.S.C. 1681t(b)(3)) is amended by striking “section  
4 609(c)” and inserting “subsection (c) or (d) of section  
5 609”.

6 (c) EFFECTIVE DATE.—Paragraph (2) of section  
7 609(d) of the Fair Credit Reporting Act (as added by sub-  
8 section (a) of this section) shall apply after the end of the  
9 60-day period beginning on the date the model summary  
10 of rights is prescribed in final form by the Federal Trade  
11 Commission pursuant to paragraph (1) of such section  
12 and in accordance with section 3(a) of this Act.

13 **SEC. 205. BLOCKING OF INFORMATION RESULTING FROM**  
14 **IDENTITY THEFT.**

15 Section 605 of the Fair Credit Reporting Act (15  
16 U.S.C. 1681e) is amended by inserting after subsection  
17 (i) (as added by section 202 of this title) the following  
18 new subsection:

19 “(j) BLOCK OF INFORMATION RESULTING FROM  
20 IDENTITY THEFT.—

21 “(1) BLOCK.—Except as provided in paragraph  
22 (3), a consumer reporting agency shall block the re-  
23 porting of any information in the file of a consumer  
24 that the consumer identifies as information that re-  
25 sulted from an alleged identity theft and confirms is

1 not information relating to any transaction by the  
2 consumer not later than 5 business days after the  
3 date of receipt by such agency of—

4 “(A) appropriate proof of the identity of a  
5 consumer;

6 “(B) a police report evidencing the claim  
7 of the consumer of identity theft;

8 “(C) the identification of the information  
9 by the consumer; and

10 “(D) confirmation by the consumer that  
11 the information is not information relating to  
12 any transaction by the consumer.

13 “(2) NOTIFICATION.—A consumer reporting  
14 agency shall promptly notify the furnisher of infor-  
15 mation identified by the consumer under paragraph  
16 (1)—

17 “(A) that the information may be a result  
18 of identity theft;

19 “(B) that a police report has been filed;

20 “(C) that a block has been requested under  
21 this subsection; and

22 “(D) of the effective date of the block.

23 “(3) AUTHORITY TO DECLINE OR RESCIND.—

24 “(A) IN GENERAL.—A consumer reporting  
25 agency may decline to block, or may rescind

1 any block, of consumer information under this  
2 subsection if the consumer reporting agency  
3 reasonably determines that—

4 “(i) the information was blocked in  
5 error or a block was requested by the con-  
6 sumer in error;

7 “(ii) the information was blocked, or a  
8 block was requested by the consumer, on  
9 the basis of a misrepresentation of fact by  
10 the consumer relevant to the request to  
11 block; or

12 “(iii) the consumer knowingly ob-  
13 tained possession of goods, services, or  
14 moneys as a result of the blocked trans-  
15 action or transactions, or the consumer  
16 should have known that the consumer ob-  
17 tained possession of goods, services, or  
18 moneys as a result of the blocked trans-  
19 action or transactions.

20 “(B) NOTIFICATION TO CONSUMER.—If  
21 the block of information is declined or rescinded  
22 under this paragraph, the affected consumer  
23 shall be notified promptly, in the same manner  
24 as consumers are notified of the reinsertion of  
25 information under section 611(a)(5)(B).

1           “(C) SIGNIFICANCE OF BLOCK.—For pur-  
2           poses of this paragraph, if a consumer report-  
3           ing agency rescinds a block, the presence of in-  
4           formation in the file of a consumer prior to the  
5           blocking of such information is not evidence of  
6           whether the consumer knew or should have  
7           known that the consumer obtained possession of  
8           any goods, services, or monies as a result of the  
9           block.

10          “(4) EXCEPTIONS.—

11           “(A) VERIFICATION COMPANIES.—This  
12           subsection shall not apply to—

13                   “(i) a check services company, which  
14                   issues authorizations for the purpose of ap-  
15                   proving or processing negotiable instru-  
16                   ments, electronic funds transfers, or simi-  
17                   lar methods of payments; or

18                   “(ii) a deposit account information  
19                   service company, which issues reports re-  
20                   garding account closures due to fraud, sub-  
21                   stantial overdrafts, automated teller ma-  
22                   chine abuse, or similar negative informa-  
23                   tion regarding a consumer, to inquiring  
24                   banks or other financial institutions for  
25                   use only in reviewing a consumer request

1 for a deposit account at the inquiring bank  
2 or financial institution.

3 “(B) RESELLERS.—

4 “(i) NO RESELLER FILE.—This sub-  
5 section shall not apply to a consumer re-  
6 porting agency if the consumer reporting  
7 agency—

8 “(I) is a reseller;

9 “(II) is not, at the time of the re-  
10 quest of the consumer under para-  
11 graph (1), otherwise furnishing or re-  
12 selling a consumer report concerning  
13 the information identified by the con-  
14 sumer; and

15 “(III) informs the consumer, by  
16 any means, that the consumer may re-  
17 port the identity theft to the Commis-  
18 sion to obtain consumer information  
19 regarding identity theft.

20 “(ii) RESELLER WITH FILE.—The  
21 sole obligation of the consumer reporting  
22 agency under this subsection, with regard  
23 to any request of a consumer under this  
24 subsection, shall be to block the consumer

1 report maintained by the consumer report-  
2 ing agency from any subsequent use if—

3 “(I) the consumer, in accordance  
4 with the provisions of paragraph (1),  
5 identifies, to a consumer reporting  
6 agency, information in the file of the  
7 consumer that resulted from identity  
8 theft; and

9 “(II) the consumer reporting  
10 agency is a reseller of the identified  
11 information.

12 “(iii) NOTICE.—In carrying out its  
13 obligation under clause (ii), the reseller  
14 shall promptly provide a notice to the con-  
15 sumer of the decision to block the file.  
16 Such notice shall contain the name, ad-  
17 dress, and telephone number of each con-  
18 sumer reporting agency from which the  
19 consumer information was obtained for re-  
20 sale.

21 “(5) ACCESS TO BLOCKED INFORMATION BY  
22 LAW ENFORCEMENT AGENCIES.—No provision of  
23 this subsection shall be construed as requiring a con-  
24 sumer reporting agency to prevent a Federal, State,  
25 or local law enforcement agency from accessing

1 blocked information in a consumer file to which the  
2 agency could otherwise obtain access under this  
3 title.”.

4 **SEC. 206. ESTABLISHMENT OF PROCEDURES FOR DEPOSITORY INSTITUTIONS TO IDENTIFY POSSIBLE INSTANCES OF IDENTITY THEFT.**

7 (a) IN GENERAL.—Section 605 of the Fair Credit  
8 Reporting Act (15 U.S.C. 1681e) is amended by inserting  
9 after subsection (j) (as added by section 205 of this title)  
10 the following new subsection:

11 “(k) ‘RED FLAG’ GUIDELINES REQUIRED.—

12 “(1) IN GENERAL.—The Federal banking agen-  
13 cies and the National Credit Union Administration,  
14 in consultation with the Commission, shall jointly es-  
15 tablish and maintain guidelines for use by insured  
16 depository institutions in identifying patterns, prac-  
17 tices, and specific forms of activity that indicate the  
18 possible existence of identity theft with respect to ac-  
19 counts, and update such guidelines as often as nec-  
20 essary.

21 “(2) REGULATIONS.—The Federal banking  
22 agencies and the National Credit Union Administra-  
23 tion, in consultation with the Commission, shall  
24 jointly prescribe regulations requiring insured depos-  
25 itory institutions to establish and adhere to reason-

1 able policies and procedures for implementing the  
2 guidelines established pursuant to paragraph (1) to  
3 identify possible risks to customer accounts or to the  
4 safety and soundness of the institutions.

5 “(3) CONSISTENCY WITH VERIFICATION RE-  
6 QUIREMENTS.—Policies and procedures established  
7 pursuant to paragraph (2) shall not be inconsistent  
8 with the policies and procedures required under sec-  
9 tion 5318(l) of title 31, United States Code.

10 “(4) INSURED DEPOSITORY INSTITUTION DE-  
11 FINED.—For purposes of this subsection, the term  
12 ‘insured depository institution’—

13 “(A) has the meaning given to such term  
14 in section 3 of the Federal Deposit Insurance  
15 Act; and

16 “(B) includes an insured credit union (as  
17 defined in section 101 of the Federal Credit  
18 Union Act).”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 subsection (a) shall take effect at the end of the 1-year  
21 period beginning on the date of the enactment of this Act.

22 **SEC. 207. STUDY ON THE USE OF TECHNOLOGY TO COMBAT**  
23 **IDENTITY THEFT.**

24 (a) STUDY REQUIRED.—The Secretary of the Treas-  
25 ury shall conduct a study of the use of biometrics and

1 other similar technologies to reduce the incidence and  
2 costs of identity theft by providing convincing evidence of  
3 who actually performed a given financial transaction.

4 (b) CONSULTATION.—The Secretary of the Treasury  
5 shall consult with Federal banking agencies, the Federal  
6 Trade Commission, and representatives of financial insti-  
7 tutions, consumer reporting agencies, Federal, State, and  
8 local government agencies that issue official forms or  
9 means of identification, State prosecutors, law enforce-  
10 ment agencies, the biometric industry, and the general  
11 public in formulating and conducting the study required  
12 by subsection (a).

13 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
14 are authorized to be appropriated to the Secretary of the  
15 Treasury for fiscal year 2004 such sums as may be nec-  
16 essary to carry out the provisions of this section.

17 (d) REPORT REQUIRED.—Before the end of the 180-  
18 day period beginning on the date of the enactment of this  
19 Act, the Secretary shall submit a report to Congress con-  
20 taining the findings and conclusions of the study required  
21 under subsection (a), together with such recommendations  
22 for legislative or administrative actions as may be appro-  
23 priate.

1 **TITLE III—IMPROVING RESOLU-**  
2 **TION OF CONSUMER DIS-**  
3 **PUTES**

4 **SEC. 301. COORDINATION OF CONSUMER COMPLAINT IN-**  
5 **VESTIGATIONS.**

6 Section 621 of the Fair Credit Reporting Act (15  
7 U.S.C. 1681s) is amended by adding at the end the fol-  
8 lowing new subsection:

9 “(f) COORDINATION OF CONSUMER COMPLAINT IN-  
10 VESTIGATIONS.—

11 “(1) IN GENERAL.—The consumer reporting  
12 agencies described in section 603(p) shall develop  
13 and maintain procedures for the referral, to each  
14 such agency, of any consumer complaint received by  
15 any such agency alleging any identity theft or re-  
16 questing a block or a fraud alert.

17 “(2) MODEL FORM AND PROCEDURE FOR RE-  
18 PORTING IDENTITY THEFT.—The Commission, in  
19 consultation with the Federal banking agencies and  
20 the National Credit Union Administration, shall de-  
21 velop a model form and model procedures to be used  
22 by consumers who are victims of identity theft for  
23 contacting and informing creditors and consumer re-  
24 porting agencies of the fraud.

1           “(3) ANNUAL SUMMARY REPORTS.—Each con-  
2           sumer reporting agency described in section 603(p)  
3           shall submit an annual summary report to the Com-  
4           mission on consumer complaints received by the  
5           agency on identity theft or fraud alerts.”.

6 **SEC. 302. NOTICE OF DISPUTE THROUGH RESELLER.**

7           (a) REQUIREMENT FOR REINVESTIGATION OF DIS-  
8           PUTED INFORMATION UPON NOTICE FROM A RE-  
9           SELLER.—Section 611(a) of the Fair Credit Reporting  
10          Act (15 U.S.C. 1681i(a)(1)(A)) is amended—

11                 (1) in subparagraph (A) of paragraph (1)—

12                         (A) by striking “If the completeness” and  
13                         inserting “Subject to subsection (e), if the com-  
14                         pleteness”;

15                         (B) by inserting “, or indirectly through a  
16                         reseller,” after “notifies the agency directly”;  
17                         and

18                         (C) by inserting “or reseller” before the  
19                         period at the end of such subparagraph;

20                 (2) in subparagraph (A) of paragraph (2)—

21                         (A) by inserting “or a reseller” after “dis-  
22                         pute from any consumer”; and

23                         (B) by inserting “or reseller” before the  
24                         period at the end of such subparagraph; and

1           (3) in subparagraph (B) of paragraph (2), by  
2           inserting “or the reseller” after “from the con-  
3           sumer”.

4           (b) REINVESTIGATION REQUIREMENT APPLICABLE  
5 TO RESELLERS.—Section 611 of the Fair Credit Report-  
6 ing Act (15 U.S.C. 1681i) is amended by adding at the  
7 end the following new subsection:

8           “(e) REINVESTIGATION REQUIREMENT APPLICABLE  
9 TO RESELLERS.—

10           “(1) EXEMPTION FROM GENERAL REINVES-  
11 TIGATION REQUIREMENT.—Except as provided in  
12 paragraph (2), a reseller shall be exempt from the  
13 requirements of this section.

14           “(2) ACTION REQUIRED UPON RECEIVING NO-  
15 TICE OF A DISPUTE.—If a reseller receives a notice  
16 from a consumer of a dispute concerning the com-  
17 pleteness or accuracy of any item of information  
18 contained in a consumer report on such consumer  
19 produced by the reseller, the reseller shall, within 5  
20 business days of receiving the notice and free of  
21 charge—

22           “(A) determine whether the item of infor-  
23 mation is incomplete or inaccurate as a result  
24 of an act or omission of the reseller; and

25           “(B) if—

1           “(i) the reseller determines that the  
2           item of information is incomplete or inac-  
3           curate as a result of an act or omission of  
4           the reseller, correct the information in the  
5           consumer report or delete it; or

6           “(ii) if the reseller determines that the  
7           item of information is not incomplete or in-  
8           accurate as a result of an act or omission  
9           of the reseller, convey the notice of the dis-  
10          pute, together with all relevant information  
11          provided by the consumer, to each con-  
12          sumer reporting agency that provided the  
13          reseller with the information that is the  
14          subject of the dispute, using an address or  
15          a notification mechanism specified by the  
16          consumer reporting agency for such no-  
17          tices.

18           “(3) RESELLER REINVESTIGATIONS.—No provi-  
19          sion of this subsection shall be construed as prohib-  
20          iting a reseller from conducting a reinvestigation of  
21          a consumer dispute directly.”.

22          (c) TECHNICAL AND CONFORMING AMENDMENT.—  
23          The heading for paragraph (2)(B) of section 611(a) of the  
24          Fair Credit Reporting Act (15 U.S.C. 1681i(a)(2)(B)) is  
25          amended by striking “FROM CONSUMER”.

1 **SEC. 303. REASONABLE REINVESTIGATION REQUIRED.**

2 Section 611(a)(1)(A) of the Fair Credit Reporting  
3 Act (15 U.S.C. 1681i(a)(1)(A)) is amended by striking  
4 “shall reinvestigate free of charge” and inserting “shall,  
5 free of charge, conduct a reasonable reinvestigation to de-  
6 termine whether the disputed information is inaccurate”.

7 **SEC. 304. DUTIES OF FURNISHERS OF INFORMATION.**

8 (a) IN GENERAL.—Section 623(a) of the Fair Credit  
9 Reporting Act (15 U.S.C. 1681s–2(a)) is amended—

10 (1) in paragraph (1)(A), by striking “knows or  
11 consciously avoids knowing that the information is  
12 inaccurate” and inserting “knows or has reasonable  
13 cause to believe that the information is inaccurate”;

14 (2) in paragraph (1)—

15 (A) by redesignating subparagraphs (B)  
16 and (C) as subparagraphs (C) and (D), respec-  
17 tively;

18 (B) by inserting after subparagraph (A),  
19 the following new subparagraph:

20 “(B) REASONABLE PROCEDURES TO EN-  
21 SURE ACCURACY.—A person that regularly fur-  
22 nishes information relating to consumers to a  
23 consumer reporting agency described in section  
24 603(p) shall maintain reasonable procedures de-  
25 signed to ensure that the information furnished  
26 is accurate.”; and

1 (C) by adding at the end the following new  
2 subparagraph:

3 “(F) DEFINITION.—For purposes of sub-  
4 paragraph (A), the term ‘reasonable cause to  
5 believe that the information is inaccurate’  
6 means, based on the procedures described in  
7 subparagraph (B), has knowledge, other than  
8 solely allegations by the consumer, that would  
9 cause a reasonable person to have substantial  
10 doubts about the accuracy of the information.”;  
11 and

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

14 “(6) ABILITY OF CONSUMER TO DISPUTE IN-  
15 FORMATION DIRECTLY WITH FURNISHER.—

16 “(A) IN GENERAL.—A consumer may dis-  
17 pute directly with a person the accuracy of in-  
18 formation that—

19 “(i) is contained in a consumer report  
20 on the consumer prepared by a consumer  
21 reporting agency described in section  
22 603(p); and

23 “(ii) was provided by the person to  
24 that consumer reporting agency in accord-  
25 ance with paragraph (1)(B).

1           “(B) SUBMITTING A NOTICE OF DIS-  
2           PUTE.—A consumer who seeks to dispute the  
3           accuracy of information with a person under  
4           subparagraph (A) shall provide a dispute notice  
5           directly to such person at the address specified  
6           by the person for such notices that—

7                   “(i) identifies the specific information  
8                   that is being disputed; and

9                   “(ii) explains the basis for the dis-  
10                  pute.

11           “(C) DUTY OF PERSON AFTER RECEIVING  
12           NOTICE OF DISPUTE.—After receiving a notice  
13           of dispute from a consumer pursuant to sub-  
14           paragraph (B), the person that provided the in-  
15           formation in dispute to a consumer reporting  
16           agency referred to in subparagraph (A) shall—

17                   “(i) conduct an investigation with re-  
18                   spect to the disputed information;

19                   “(ii) review all relevant information  
20                   provided by the consumer with the notice;

21                   “(iii) complete such person’s inves-  
22                   tigation of the dispute and report the re-  
23                   sults of the investigation to the consumer  
24                   before the expiration of the period under  
25                   section 611(a)(1) within which a consumer

1 reporting agency would be required to com-  
2 plete its action if the consumer had elected  
3 to dispute the information under that sec-  
4 tion; and

5 “(iv) if the investigation finds that the  
6 information reported was inaccurate,  
7 promptly notify each consumer reporting  
8 agency described in section 603(p) to  
9 which the person furnished the inaccurate  
10 information of that determination and pro-  
11 vide to the agency any correction to that  
12 information that is necessary to make the  
13 information provided by the person accu-  
14 rate.

15 “(D) FRIVOLOUS OR IRRELEVANT DIS-  
16 PUTE.—

17 “(i) IN GENERAL.—The requirements  
18 of this paragraph shall not apply if the  
19 person receiving a notice of a dispute from  
20 a consumer reasonably determines that the  
21 dispute is frivolous or irrelevant, includ-  
22 ing—

23 “(I) by reason of the failure of a  
24 consumer to provide sufficient infor-

1                   mation to investigate the disputed in-  
2                   formation; or

3                   “(II) the submission by a con-  
4                   sumer of a dispute that is substan-  
5                   tially the same as a dispute previously  
6                   submitted by or for the consumer, ei-  
7                   ther directly to the person under this  
8                   paragraph or through a consumer re-  
9                   porting agency under subsection (b),  
10                  with respect to which the person has  
11                  already performed the person’s duties  
12                  under this paragraph or subsection  
13                  (b), as applicable.

14                  “(ii) NOTICE OF DETERMINATION.—  
15                  Upon making any determination under  
16                  clause (i) that a dispute is frivolous or ir-  
17                  relevant, the person shall notify the con-  
18                  sumer of such determination not later than  
19                  5 business days after making such deter-  
20                  mination, by mail or, if authorized by the  
21                  consumer for that purpose, by any other  
22                  means available to the person.

23                  “(iii) CONTENTS OF NOTICE.—A no-  
24                  tice under clause (ii) shall include—

1 “(I) the reasons for the deter-  
2 mination under clause (i); and

3 “(II) identification of any infor-  
4 mation required to investigate the dis-  
5 puted information, which may consist  
6 of a standardized form describing the  
7 general nature of such information.”.

8 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

9 (1) Section 621(c)(5)(A) of the Fair Credit Re-  
10 porting Act (15 U.S.C. 1681s(c)(5)(A)) is amended  
11 by striking “section 623(a)(1)” and inserting “para-  
12 graph (1) or (6) of section 623(a)”.

13 (2) The heading for section 621(c)(5) of the  
14 Fair Credit Reporting Act (15 U.S.C. 1681s(c)(5))  
15 is amended by striking “VIOLATION OF SECTION  
16 623(a)(1)” and inserting “CERTAIN VIOLATIONS OF  
17 SECTION 623(a)”.

18 **SEC. 305. PROMPT INVESTIGATION OF DISPUTED CON-**  
19 **SUMER INFORMATION.**

20 (a) STUDY REQUIRED.—The Board of Governors of  
21 the Federal Reserve System and the Federal Trade Com-  
22 mission shall jointly study the extent to which, and the  
23 manner in which, consumer reporting agencies and fur-  
24 nishers of consumer information to consumer reporting  
25 agencies are complying with the procedures, time lines,

1 and requirements under the Fair Credit Reporting Act for  
2 the prompt investigation of the disputed accuracy of any  
3 consumer information, the completeness of the informa-  
4 tion provided to consumer reporting agencies, and the  
5 prompt correction or deletion, in accordance with such  
6 Act, of any inaccurate or incomplete information or infor-  
7 mation that cannot be verified.

8 (b) REPORT REQUIRED.—Before the end of the 6-  
9 month period beginning on the date of the enactment of  
10 this Act, the Board of Governors of the Federal Reserve  
11 System and the Federal Trade Commission shall jointly  
12 submit a progress report to the Congress on the results  
13 of the study required under subsection (a).

14 (c) RECOMMENDATIONS.—The report under sub-  
15 section (b) shall include such recommendations as the  
16 Board and the Commission jointly determine to be appro-  
17 priate for legislative or administrative action to ensure  
18 that—

19 (1) consumer disputes with consumer reporting  
20 agencies over the accuracy or completeness of infor-  
21 mation in a consumer’s file are promptly and fully  
22 investigated and any incorrect, incomplete, or un-  
23 verifiable information is corrected or deleted imme-  
24 diately thereafter;

1           (2) furnishers of information to consumer re-  
2           porting agencies maintain full and prompt compli-  
3           ance with the duties and responsibilities established  
4           under section 623 of the Fair Credit Reporting Act;  
5           and

6           (3) consumer reporting agencies establish and  
7           maintain appropriate internal controls and manage-  
8           ment review procedures for maintaining full and  
9           continuous compliance with the procedures, time  
10          lines, and requirements under the Fair Credit Re-  
11          porting Act for the prompt investigation of the dis-  
12          puted accuracy of any consumer information and the  
13          prompt correction or deletion, in accordance with  
14          such Act, of any inaccurate or incomplete informa-  
15          tion or information that cannot be verified.

16          (d) DEFINITIONS.—For purposes of this section, the  
17          terms “consumer”, “consumer report”, and “consumer re-  
18          porting agency” have the same meaning as in the Fair  
19          Credit Reporting Act.

20       **TITLE IV—IMPROVING ACCU-**  
21       **RACY OF CONSUMER**  
22       **RECORDS**

23       **SEC. 401. RECONCILING ADDRESSES.**

24          Section 605 of the Fair Credit Reporting Act (15  
25          U.S.C. 1681e) is amended by inserting after subsection

1 (g) (as added by section 201 of this Act) the following  
2 new subsection.

3 “(h) NOTICE OF DISCREPANCY.—

4 “(1) IN GENERAL.—If a person has requested  
5 a consumer report relating to a consumer from a  
6 consumer reporting agency described in section  
7 603(p), the request includes an address for the con-  
8 sumer that substantially differs from the addresses  
9 in the file of the consumer, and the agency provides  
10 a consumer report in response to the request, the  
11 consumer reporting agency shall notify the requester  
12 of the existence of the discrepancy.

13 “(2) REGULATIONS.—

14 “(A) REGULATIONS REQUIRED.—The Fed-  
15 eral banking agencies and the National Credit  
16 Union Administration shall jointly prescribe  
17 regulations providing guidance regarding rea-  
18 sonable policies and procedures a user of a con-  
19 sumer report should employ when such user has  
20 received a notice of discrepancy under para-  
21 graph (1).

22 “(B) POLICIES AND PROCEDURES TO BE  
23 INCLUDED.—The regulations prescribed under  
24 subparagraph (A) shall describe reasonable poli-

1           cies and procedures for use by a user of a con-  
2           sumer report—

3                   “(i) to form a reasonable belief that  
4                   the user knows the identity of the person  
5                   to whom the consumer report pertains; and

6                   “(ii) if the user establishes a con-  
7                   tinuing relationship with the consumer,  
8                   and the user regularly and in the ordinary  
9                   course of business furnishes information to  
10                  the consumer reporting agency from which  
11                  the notice of discrepancy pertaining to the  
12                  consumer was obtained, to reconcile the  
13                  consumer’s address with the consumer re-  
14                  porting agency by furnishing such address  
15                  to such consumer reporting agency as part  
16                  of information regularly furnished by the  
17                  user for the period in which the relation-  
18                  ship is established.”.

19 **SEC. 402. PREVENTION OF REPOLLUTION OF CONSUMER**  
20 **REPORTS.**

21           Section 623(a)(1) of the Fair Credit Reporting Act  
22 (15 U.S.C. 1681s–2(a)(1)) is amended by inserting after  
23 subparagraph (D) (as so redesignated by section  
24 304(2)(A)) the following new subparagraph:

1           “(E) INFORMATION ALLEGED TO RESULT  
2 FROM IDENTITY THEFT.—If a consumer sub-  
3 mits a police report to a person who furnishes  
4 information to a consumer reporting agency  
5 that states that information maintained by such  
6 person that purports to relate to the consumer  
7 resulted from identity theft, the person may not  
8 furnish such information that purports to relate  
9 to the consumer to any consumer reporting  
10 agency, unless the person subsequently knows  
11 or is informed by the consumer that the infor-  
12 mation is correct.”.

13 **SEC. 403. NOTICE BY USERS WITH RESPECT TO FRAUDU-**  
14 **LENT INFORMATION.**

15       Section 615 of the Fair Credit Reporting Act (15  
16 U.S.C. 1681m) is amended by adding at the end the fol-  
17 lowing new subsection:

18       “(e) NOTICE OF FRAUDULENT INFORMATION RE-  
19 LATING TO IDENTITY THEFT.—If an agent acting as a  
20 debt collector (as defined in title VIII) of a person who  
21 furnishes information to any consumer reporting agency  
22 uses information contained in a consumer report on any  
23 consumer and learns that any such information so used  
24 is the result of identity theft or otherwise is fraudulent,  
25 the agent shall—

1 “(1) if such information—

2 “(A) originated from the person for whom  
3 the debt collector is acting as agent, notify the  
4 person of the fraudulent information; or

5 “(B) originated from a person other than  
6 the person for whom the debt collector is acting  
7 as agent, notify the consumer reporting agency  
8 (that provided the consumer report) of the  
9 fraudulent information, either directly or  
10 through the person for whom the debt collector  
11 is acting as agent; and

12 “(2) upon the request of the consumer, provide  
13 the consumer with all information which the con-  
14 sumer would be entitled to receive if the information  
15 related to the consumer other than by reason of  
16 identity theft.”.

17 **SEC. 404. DISCLOSURE TO CONSUMERS OF CONTACT IN-**  
18 **FORMATION FOR USERS AND FURNISHERS**  
19 **OF INFORMATION IN CONSUMER REPORTS.**

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

22 (1) in paragraph (2), by inserting “, including  
23 addresses of the sources, and (if provided by the  
24 sources of information) the telephone numbers iden-  
25 tified for customer service for the sources of infor-

1 mation” after “sources of information” the 1st place  
2 such term appears in such paragraph; and

3 (2) in paragraph (3)(B) by striking clause (ii)  
4 and inserting the following new clause:

5 “(ii) the address and (if provided) the  
6 telephone numbers identified for customer  
7 service of the person.”.

8 **SEC. 405. FTC STUDY OF THE ACCURACY OF CONSUMER RE-**  
9 **PORTS.**

10 (a) **STUDY REQUIRED.**—Until the final report is sub-  
11 mitted under subsection (b)(2), the Federal Trade Com-  
12 mission shall conduct an ongoing study of the accuracy  
13 and completeness of information contained in consumer  
14 reports prepared or maintained by consumer reporting  
15 agencies and methods for improving the accuracy and  
16 completeness of such information.

17 (b) **BIENNIAL REPORTS REQUIRED.**—

18 (1) **INTERIM REPORTS.**—The Federal Trade  
19 Commission shall submit an interim report to the  
20 Congress on the study conducted under subsection  
21 (a) at the end of the 6-month period beginning on  
22 the date of the enactment of this Act and biennially  
23 thereafter for 8 years.

24 (2) **FINAL REPORT.**—The Federal Trade Com-  
25 mission shall submit a final report to the Congress

1 on the study conducted under subsection (a) at the  
2 end of the 2-year period beginning on the date the  
3 final interim report is submitted to the Congress  
4 under paragraph (1).

5 (3) CONTENTS.—Each report submitted under  
6 this subsection shall contain a detailed summary of  
7 the findings and conclusions of the Commission with  
8 respect to the study required under subsection (a)  
9 and such recommendations for legislative and ad-  
10 ministrative action as the Commission may deter-  
11 mine to be appropriate.

12 **TITLE V—IMPROVEMENTS IN**  
13 **USE OF AND CONSUMER AC-**  
14 **CESS TO CREDIT INFORMA-**  
15 **TION**

16 **SEC. 501. FREE REPORTS ANNUALLY.**

17 Section 612 of the Fair Credit Reporting Act (15  
18 U.S.C. 1681j) is amended by adding at the end the fol-  
19 lowing new subsection:

20 “(e) FREE ANNUAL DISCLOSURE.—Upon the direct  
21 request of the consumer, a consumer reporting agency  
22 that compiles and maintains files on consumers on a na-  
23 tionwide or regional basis shall make all disclosures pursu-  
24 ant to section 609 once during any 12-month period with-  
25 out charge to the consumer.”.

1 **SEC. 502. DISCLOSURE OF CREDIT SCORES.**

2 (a) STATEMENT ON AVAILABILITY OF CREDIT  
3 SCORES.—Section 609(a) of the Fair Credit Reporting  
4 Act (15 U.S.C. 1681g(a)) is amended by adding at the  
5 end the following new paragraph:

6 “(6) If the consumer requests the credit file  
7 and not the credit score, a statement that the con-  
8 sumer may request and obtain a credit score.”.

9 (b) DISCLOSURE OF CREDIT SCORES.—Section 609  
10 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is  
11 amended by inserting after subsection (d) (as added by  
12 section 204 of this Act) the following new subsection:

13 “(e) DISCLOSURE OF CREDIT SCORES.—

14 “(1) IN GENERAL.—Upon the consumer’s re-  
15 quest for a credit score, a consumer reporting agen-  
16 cy shall supply to a consumer a statement indicating  
17 that the information and credit scoring model may  
18 be different than the credit score that may be used  
19 by the lender, and a notice which shall include the  
20 following information:

21 “(A) The consumer’s current credit score  
22 or the consumer’s most recent credit score that  
23 was previously calculated by the credit report-  
24 ing agency for a purpose related to the exten-  
25 sion of credit.

1           “(B) The range of possible credit scores  
2           under the model used.

3           “(C) All the key factors that adversely af-  
4           fected the consumer’s credit score in the model  
5           used, the total number of which shall not ex-  
6           ceed four, subject to paragraph (9).

7           “(D) The date the credit score was cre-  
8           ated.

9           “(E) The name of the person or entity  
10          that provided the credit score or credit file upon  
11          which the credit score was created.

12          “(2) DEFINITIONS.—For purposes of this sec-  
13          tion, the following definitions shall apply:

14                 “(A) CREDIT SCORE.—The term ‘credit  
15                 score’—

16                         “(i) means a numerical value or a cat-  
17                         egorization derived from a statistical tool  
18                         or modeling system used by a person who  
19                         makes or arranges a loan to predict the  
20                         likelihood of certain credit behaviors, in-  
21                         cluding default (and the numerical value or  
22                         the categorization derived from this anal-  
23                         ysis may also be referred to as a ‘risk pre-  
24                         dictor’ or ‘risk score’); and

25                         “(ii) does not include—

1                   “(I) any mortgage score or rating  
2                   of an automated underwriting system  
3                   that considers one or more factors in  
4                   addition to credit information, includ-  
5                   ing the loan to value ratio, the  
6                   amount of down payment, or a con-  
7                   sumer’s financial assets; or

8                   “(II) any other elements of the  
9                   underwriting process or underwriting  
10                  decision.

11                  “(B) KEY FACTORS.—The term ‘key fac-  
12                  tors’ means all relevant elements or reasons ad-  
13                  versely affecting the credit score for the par-  
14                  ticular individual listed in the order of their im-  
15                  portance based on their effect on the credit  
16                  score.

17                  “(3) TIMEFRAME AND MANNER OF DISCLO-  
18                  SURE.—The information required by this subsection  
19                  shall be provided in the same timeframe and manner  
20                  as the information described in subsection (a).

21                  “(4) APPLICABILITY TO CERTAIN USES.—This  
22                  subsection shall not be construed so as to compel a  
23                  consumer reporting agency to develop or disclose a  
24                  score if the agency does not—

1           “(A) distribute scores that are used in con-  
2           nection with residential real property loans; or

3           “(B) develop scores that assist credit pro-  
4           viders in understanding a consumer’s general  
5           credit behavior and predicting the future credit  
6           behavior of the consumer.

7           “(5) APPLICABILITY TO CREDIT SCORES DE-  
8           VELOPED BY ANOTHER PERSON.—

9           “(A) IN GENERAL.—This subsection shall  
10          not be construed to require a consumer report-  
11          ing agency that distributes credit scores devel-  
12          oped by another person or entity to provide a  
13          further explanation of them, or to process a dis-  
14          pute arising pursuant to section 611, except  
15          that the consumer reporting agency shall pro-  
16          vide the consumer with the name and address  
17          and website for contacting the person or entity  
18          who developed the score or developed the meth-  
19          odology of the score.

20          “(B) EXCEPTION.—This paragraph shall  
21          not apply to a consumer reporting agency that  
22          develops or modifies scores that are developed  
23          by another person or entity.

24          “(6) MAINTENANCE OF CREDIT SCORES NOT  
25          REQUIRED.—This subsection shall not be construed

1 to require a consumer reporting agency to maintain  
2 credit scores in its files.

3 “(7) COMPLIANCE IN CERTAIN CASES.—In com-  
4 plying with this subsection, a consumer reporting  
5 agency shall—

6 “(A) supply the consumer with a credit  
7 score that is derived from a credit scoring  
8 model that is widely distributed to users by that  
9 consumer reporting agency in connection with  
10 residential real property loans or with a credit  
11 score that assists the consumer in under-  
12 standing the credit scoring assessment of the  
13 credit behavior of the consumer and predictions  
14 about the future credit behavior of the con-  
15 sumer; and

16 “(B) a statement indicating that the infor-  
17 mation and credit scoring model may be dif-  
18 ferent than that used by the lender.

19 “(8) REASONABLE FEE.—A consumer reporting  
20 agency may charge a reasonable fee for providing  
21 the information required under this subsection.

22 “(9) USE OF ENQUIRIES AS A KEY FACTOR.—  
23 If a key factor that adversely affects a consumer’s  
24 credit score consists of the number of enquiries  
25 made with respect to a consumer report, that factor

1 shall be included in the disclosure pursuant to para-  
2 graph (1)(C) without regard to the numerical limita-  
3 tion in such paragraph.”.

4 (c) DISCLOSURE OF CREDIT SCORES BY CERTAIN  
5 MORTGAGE LENDERS.—Section 609 of the Fair Credit  
6 Reporting Act (15 U.S.C. 1681g) is amended by inserting  
7 after subsection (e) (as added by subsection (b) of this  
8 section) the following new subsection:

9 “(f) DISCLOSURE OF CREDIT SCORES BY CERTAIN  
10 MORTGAGE LENDERS.—

11 “(1) IN GENERAL.—Any person who makes or  
12 arranges loans and who uses a consumer credit score  
13 as defined in subsection (e) in connection with an  
14 application initiated or sought by a consumer for a  
15 closed end loan or establishment of an open end loan  
16 for a consumer purpose that is secured by 1 to 4  
17 units of residential real property (hereafter in this  
18 subsection referred to as the ‘lender’) shall provide  
19 the following to the consumer as soon as reasonably  
20 practicable:

21 “(A) INFORMATION REQUIRED UNDER  
22 SUBSECTION (e).—

23 “(i) IN GENERAL.—A copy of the in-  
24 formation identified in subsection (e) that  
25 was obtained from a consumer reporting

1 agency or was developed and used by the  
2 user of the information.

3 “(ii) NOTICE UNDER SUBPARAGRAPH  
4 (D).—In addition to the information pro-  
5 vided to it by a third party that provided  
6 the credit score or scores, a lender is only  
7 required to provide the notice contained in  
8 subparagraph (D).

9 “(B) DISCLOSURES IN CASE OF AUTO-  
10 MATED UNDERWRITING SYSTEM.—

11 “(i) IN GENERAL.—If a person who is  
12 subject to this section uses an automated  
13 underwriting system to underwrite a loan,  
14 that person may satisfy the obligation to  
15 provide a credit score by disclosing a credit  
16 score and associated key factors supplied  
17 by a consumer reporting agency.

18 “(ii) NUMERICAL CREDIT SCORE.—  
19 However, if a numerical credit score is  
20 generated by an automated underwriting  
21 system used by an enterprise, and that  
22 score is disclosed to the person, the score  
23 shall be disclosed to the consumer con-  
24 sistent with subparagraph (C).

1                   “(iii) ENTERPRISE DEFINED.—For  
2                   purposes of this subparagraph, the term  
3                   ‘enterprise’ shall have the same meaning  
4                   as in paragraph (6) of section 1303 of the  
5                   Federal Housing Enterprises Financial  
6                   Safety and Soundness Act of 1992.

7                   “(C) DISCLOSURES OF CREDIT SCORES  
8                   NOT OBTAINED FROM A CONSUMER REPORTING  
9                   AGENCY.—A person subject to the provisions of  
10                  this subsection who uses a credit score other  
11                  than a credit score provided by a consumer re-  
12                  porting agency may satisfy the obligation to  
13                  provide a credit score by disclosing a credit  
14                  score and associated key factors supplied by a  
15                  consumer reporting agency.

16                  “(D) NOTICE TO HOME LOAN APPLI-  
17                  CANTS.—A copy of the following notice, which  
18                  shall include the name, address, and telephone  
19                  number of each consumer reporting agency pro-  
20                  viding a credit score that was used:

21                  “‘NOTICE TO THE HOME LOAN APPLICANT

22                  “‘In connection with your application for a home  
23                  loan, the lender must disclose to you the score that a con-  
24                  sumer reporting agency distributed to users and the lender

1 used in connection with your home loan, and the key fac-  
2 tors affecting your credit scores.

3       ““The credit score is a computer generated summary  
4 calculated at the time of the request and based on infor-  
5 mation a consumer reporting agency or lender has on file.  
6 The scores are based on data about your credit history  
7 and payment patterns. Credit scores are important be-  
8 cause they are used to assist the lender in determining  
9 whether you will obtain a loan. They may also be used  
10 to determine what interest rate you may be offered on the  
11 mortgage. Credit scores can change over time, depending  
12 on your conduct, how your credit history and payment pat-  
13 terns change, and how credit scoring technologies change.

14       ““Because the score is based on information in your  
15 credit history, it is very important that you review the  
16 credit-related information that is being furnished to make  
17 sure it is accurate. Credit records may vary from one com-  
18 pany to another.

19       ““If you have questions about your credit score or  
20 the credit information that is furnished to you, contact  
21 the consumer reporting agency at the address and tele-  
22 phone number provided with this notice, or contact the  
23 lender, if the lender developed or generated the credit  
24 score. The consumer reporting agency plays no part in the  
25 decision to take any action on the loan application and

1 is unable to provide you with specific reasons for the deci-  
2 sion on a loan application.

3 “‘If you have questions concerning the terms of  
4 the loan, contact the lender.’.

5 “(E) ACTIONS NOT REQUIRED UNDER THIS  
6 SUBSECTION.—This subsection shall not require  
7 any person to do any of the following:

8 “(i) Explain the information provided  
9 pursuant to subsection (e).

10 “(ii) Disclose any information other  
11 than a credit score or key factor, as de-  
12 fined in subsection (e).

13 “(iii) Disclose any credit score or re-  
14 lated information obtained by the user  
15 after a loan has closed.

16 “(iv) Provide more than 1 disclosure  
17 per loan transaction.

18 “(v) Provide the disclosure required  
19 by this subsection when another person has  
20 made the disclosure to the consumer for  
21 that loan transaction.

22 “(F) NO OBLIGATION FOR CONTENT.—

23 “(i) IN GENERAL.—Any person’s obli-  
24 gation pursuant to this subsection shall be  
25 limited solely to providing a copy of the in-

1           formation that was received from the con-  
2           sumer reporting agency.

3           “(ii) LIMIT ON LIABILITY.—No person  
4           has liability under this subsection for the  
5           content of that information or for the  
6           omission of any information within the re-  
7           port provided by the consumer reporting  
8           agency.

9           “(G) PERSON DEFINED AS EXCLUDING EN-  
10          TERPRISE.—As used in this subsection, the  
11          term ‘person’ does not include an enterprise (as  
12          defined in paragraph (6) of section 1303 of the  
13          Federal Housing Enterprises Financial Safety  
14          and Soundness Act of 1992).

15          “(2) PROHIBITION ON DISCLOSURE CLAUSES  
16          NULL AND VOID.—

17                 “(A) IN GENERAL.—Any provision in a  
18                 contract that prohibits the disclosure of a credit  
19                 score by a person who makes or arranges loans  
20                 or a consumer reporting agency is void.

21                 “(B) NO LIABILITY FOR DISCLOSURE  
22                 UNDER THIS SUBSECTION.—A lender shall not  
23                 have liability under any contractual provision  
24                 for disclosure of a credit score pursuant to this  
25                 subsection.”.

1 (d) INCLUSION OF KEY FACTOR IN CREDIT SCORE  
2 INFORMATION IN CONSUMER REPORT.—Section 605(d) of  
3 the Fair Credit Reporting Act (15 U.S.C. 1681e(d)) is  
4 amended—

5 (1) by striking “DISCLOSED.—Any consumer  
6 reporting agency” and inserting “DISCLOSED.—

7 “(1) TITLE 11 INFORMATION.—Any consumer  
8 reporting agency”; and

9 (2) by adding at the end the following new  
10 paragraph:

11 “(2) KEY FACTOR IN CREDIT SCORE INFORMA-  
12 TION.—Any consumer reporting agency that fur-  
13 nishes a consumer report that contains any credit  
14 score or any other risk score or predictor on any  
15 consumer shall include in the report a clear and con-  
16 spicuous statement that a key factor (as defined in  
17 section 609(e)(2)(B)) that adversely affected such  
18 score or predictor was the number of enquiries, if  
19 such a predictor was in fact a key factor that ad-  
20 versely affected such score. This paragraph shall not  
21 apply to a person described in subsection  
22 (j)(4)(A)(i), but only to the extent that such person  
23 is engaged in activities described in such sub-  
24 section.”.

1 (e) TECHNICAL AND CONFORMING AMENDMENT.—  
2 Section 624(b) of the Fair Credit Reporting Act (15  
3 U.S.C. 1681t(b)(3)) (as amended by section 204(b) of this  
4 Act) is amended—

5 (1) by striking “or” at the end of paragraph  
6 (2); and

7 (2) by striking paragraph (3) and inserting the  
8 following new paragraphs:

9 “(3) with respect to the form and content of  
10 any disclosure required to be made under subsection  
11 (c), (d), (e), or (f) of section 609, except that this  
12 paragraph shall not apply—

13 “(A) with respect to sections 1785.10,  
14 1785.16 and 1785.20.2 of the California Civil  
15 Code (as in effect on the date of enactment of  
16 the Fair and Accurate Credit Transactions Act  
17 of 2003) and section 1785.15 through section  
18 1785.15.2 of such Code (as in effect on such  
19 date) and

20 “(B) with respect to section 12–14.3–  
21 104.3 of the Colorado Revised Statutes (as in  
22 effect on the date of enactment of the Fair and  
23 Accurate Credit Transactions Act of 2003); and

1           “(4) with respect to the frequency of any disclo-  
2           sure under section 612(e), except that this para-  
3           graph shall not apply—

4           “(A) with respect to section 12–14.3–  
5           105(1)(d) of the Colorado Revised Statutes (as  
6           in effect on the date of enactment of the Fair  
7           and Accurate Credit Transactions Act of 2003);

8           “(B) with respect to section 10–1–  
9           393(29)(C) of the Georgia Code (as in effect on  
10          the date of enactment of the Fair and Accurate  
11          Credit Transactions Act of 2003);

12          “(C) with respect to section 1316.2–B of  
13          title 10 of the Maine Revised Statutes (as in ef-  
14          fect on the date of enactment of the Fair and  
15          Accurate Credit Transactions Act of 2003);

16          “(D) with respect to sections 14–  
17          1209(a)(1) and 14–1209(b)(1)(i) of the Com-  
18          mercial Law Article of the Code of Maryland  
19          (as in effect on the date of enactment of the  
20          Fair and Accurate Credit Transactions Act of  
21          2003);

22          “(E) with respect to section 59(d) and sec-  
23          tion 59(e) of chapter 93 of the General Laws  
24          of Massachusetts (as in effect on the date of

1 enactment of the Fair and Accurate Credit  
2 Transactions Act of 2003);

3 “(F) with respect to section 56:11–  
4 37.10(a)(1) of the New Jersey Revised Statutes  
5 (as in effect on the date of enactment of the  
6 Fair and Accurate Credit Transactions Act of  
7 2003); and

8 “(G) with respect to section 2480c(a)(1) of  
9 the Vermont Statutes Annotated (as in effect  
10 on the date of enactment of the Fair and Accu-  
11 rate Credit Transactions Act of 2003).”.

12 **SEC. 503. SIMPLER AND EASIER METHOD FOR CONSUMERS**  
13 **TO USE NOTIFICATION SYSTEM.**

14 (a) IN GENERAL.—Section 604(e)(5)(A)(i) of the  
15 Fair Credit Reporting Act (15 U.S.C. 1681b(e)(5)(A)(i))  
16 is amended by inserting “in a simple and easy manner  
17 and” after “notify the agency,”.

18 (b) SIMPLIFIED NOTICE AND RESPONSE FORMAT  
19 FOR USERS.—Section 615(d) of the Fair Credit Reporting  
20 Act (15 U.S.C. 1681m(d)) is amended—

21 (1) by redesignating paragraphs (2), (3), and  
22 (4), as paragraphs (3), (4) and (5); and

23 (2) by inserting after paragraph (1) the fol-  
24 lowing new paragraph:

1           “(2) SIMPLE AND EASY NOTIFICATION.—Any  
2           statement given the consumer under paragraph  
3           (1)(E) shall be in a simple and easy to understand  
4           format and shall describe the simple and easy meth-  
5           od established under section 604(e)(5)(A)(i) for the  
6           consumer to respond.”.

7   **SEC. 504. REQUIREMENT TO DISCLOSE COMMUNICATIONS**  
8                           **TO A CONSUMER REPORTING AGENCY.**

9           (a) IN GENERAL.—Section 623(a) of the Fair Credit  
10          Reporting Act (15 U.S.C. 1681s–2(a)) is amended by in-  
11          serting after paragraph (6) (as added by section 304(3))  
12          the following new paragraph:

13                       “(7) NEGATIVE INFORMATION.—

14                           “(A) NOTICE TO CONSUMER REQUIRED.—

15                                       “(i) IN GENERAL.—If any financial  
16                                       institution that extends credit and regu-  
17                                       larly and in the ordinary course of business  
18                                       furnishes information to a consumer re-  
19                                       porting agency described in section 603(p)  
20                                       furnishes negative information to such an  
21                                       agency regarding credit extended to a cus-  
22                                       tomer, the financial institution shall pro-  
23                                       vide a notice of such furnishing of negative  
24                                       information, in writing, to the customer.

1           “(ii) NOTICE EFFECTIVE FOR SUBSE-  
2           QUENT SUBMISSIONS.—After providing  
3           such notice, the financial institution may  
4           submit additional negative information to a  
5           consumer reporting agency described in  
6           section 603(p) with respect to the same  
7           transaction, extension of credit, account, or  
8           customer without providing additional no-  
9           tice to the customer.

10          “(B) TIME OF NOTICE.—

11                 “(i) IN GENERAL.—The notice re-  
12                 quired under subparagraph (A) shall be  
13                 provided to the customer prior to, or no  
14                 later than 30 days after, furnishing the  
15                 negative information to a consumer report-  
16                 ing agency described in section 603(p).

17                 “(ii) COORDINATION WITH NEW AC-  
18                 COUNT DISCLOSURES.—If the notice is  
19                 provided to the customer prior to fur-  
20                 nishing the negative information to a con-  
21                 sumer reporting agency, the notice may  
22                 not be included in the initial disclosures  
23                 provided under section 127(a) of the Truth  
24                 in Lending Act.

1           “(C) COORDINATION WITH OTHER DISCLO-  
2           SURES.—The notice required under subpara-  
3           graph (A)—

4           “(i) may be included on or with any  
5           notice of default, any billing statement, or  
6           any other materials provided to the cus-  
7           tomer; and

8           “(ii) must be clear and conspicuous.

9           “(D) MODEL DISCLOSURE.—

10           “(i) DUTY OF BOARD TO PREPARE.—  
11           The Board shall prescribe a brief model  
12           disclosure a financial institution may use  
13           to comply with subparagraph (A), which  
14           shall not exceed 30 words.

15           “(ii) USE OF MODEL NOT RE-  
16           QUIRED.—No provision of this paragraph  
17           shall be construed as requiring a financial  
18           institution to use any such model form pre-  
19           scribed by the Board.

20           “(iii) COMPLIANCE USING MODEL.—A  
21           financial institution shall be deemed to be  
22           in compliance with subparagraph (A) if the  
23           financial institution uses any such model  
24           form prescribed by the Board, or the fi-

1           nancial institution uses any such model  
2           form and rearranges its format.

3           “(E) USE OF NOTICE WITHOUT SUBMIT-  
4           TING NEGATIVE INFORMATION.—No provision  
5           of this paragraph shall be construed as requir-  
6           ing a financial institution that has provided a  
7           customer with a notice described in subpara-  
8           graph (A) to furnish negative information about  
9           the customer to a consumer reporting agency.

10          “(F) SAFE HARBOR.—A financial institu-  
11          tion shall not be liable for failure to perform  
12          the duties required by this paragraph if, at the  
13          time of the failure, the financial institution  
14          maintained reasonable policies and procedures  
15          to comply with this paragraph or the financial  
16          institution reasonably believed that the institu-  
17          tion is prohibited, by law, from contacting the  
18          consumer.

19          “(G) DEFINITIONS.—For purposes of this  
20          paragraph, the following definitions shall apply:

21                 “(i) NEGATIVE INFORMATION.—The  
22                 term ‘negative information’ means infor-  
23                 mation concerning a customer’s delin-  
24                 quencies, late payments, insolvency, or any  
25                 form of default.

1                   “(ii) CUSTOMER; FINANCIAL INSTITU-  
2                   TION.—The terms ‘customer’ and ‘finan-  
3                   cial institution’ have the same meaning as  
4                   in section 509 of the Gramm-Leach-Bliley  
5                   Act.”.

6           (b) MODEL DISCLOSURE FORM.—Before the end of  
7 the 6-month period beginning on the date of the enact-  
8 ment of this Act, the Board of Governors of the Federal  
9 Reserve System shall adopt the model disclosure required  
10 under the amendment made by subsection (a) after notice  
11 duly given in the Federal Register and an opportunity for  
12 public comment in accordance with section 553 of title 5,  
13 United States Code.

14 **SEC. 505. STUDY OF EFFECTS OF CREDIT SCORES AND**  
15                   **CREDIT-BASED INSURANCE SCORES ON**  
16                   **AVAILABILITY AND AFFORDABILITY OF FI-**  
17                   **NANCIAL PRODUCTS.**

18           (a) STUDY REQUIRED.—The Federal Trade Commis-  
19 sion, in consultation with the Office of Fair Housing and  
20 Equal Opportunity of the Department of Housing and  
21 Urban Development, shall conduct a study of—

22                   (1) the effects of the use of credit scores and  
23                   credit-based insurance scores on the availability and  
24                   affordability of financial products and services, in-

1 including credit cards, mortgages, auto loans, and  
2 property and casualty insurance;

3 (2) the degree of causality between the factors  
4 considered by credit score systems and the quantifi-  
5 able risks and actual losses experienced by busi-  
6 nesses, including the extent to which, if any, each of  
7 the factors considered or otherwise taken into ac-  
8 count by such systems are accurate predictors of  
9 risk or loss, and where the means square error of a  
10 scoring model's predictions are considered in the  
11 evaluation of accuracy;

12 (3) the extent to which, if any, the use of credit  
13 scoring models, credit scores and credit-based insur-  
14 ance scores result in disparate impact by geography,  
15 income, ethnicity, race, color, religion, national ori-  
16 gin, age, sex or marital status, and creed, including  
17 the extent to which the consideration or lack of con-  
18 sideration of certain factors by credit scoring sys-  
19 tems could result in disparate effects and the extent  
20 to which, if any, the use of underwriting systems re-  
21 lying on these models could achieve comparable re-  
22 sults through the use of factors with less disparate  
23 impact; and

24 (4) the extent to which credit scoring systems  
25 are used by businesses, the factors considered by

1 such systems, and the effects of variables which are  
2 not considered by such systems.

3 (b) PUBLIC PARTICIPATION.—The Commission shall  
4 seek public input about the prescribed methodology and  
5 research design of the study required in subsection (a).

6 (c) REPORT REQUIRED.—

7 (1) IN GENERAL.—Before the end of the 18-  
8 month period beginning on the date of the enact-  
9 ment of this Act, the Federal Trade Commission  
10 shall submit a detailed report on the study con-  
11 ducted pursuant to subsection (a) to the Committee  
12 on Financial Services of the House of Representa-  
13 tives and the Committee on Banking, Housing, and  
14 Urban Affairs of the Senate.

15 (2) CONTENTS OF REPORT.—The report sub-  
16 mitted under paragraph (1) shall include the find-  
17 ings and conclusions of the Commission, together  
18 with such recommendations for legislative or admin-  
19 istrative action as the Commission may determine to  
20 be necessary to ensure that credit and credit-based  
21 insurances score are used appropriately and fairly to  
22 avoid disparate effects.

23 (d) CREDIT SCORE DEFINED.—For purposes of this  
24 section, the term “credit score” means a numerical value  
25 or a categorization derived from a statistical tool or mod-

1 eling system used to predict the likelihood of certain credit  
2 or insurance behaviors, including default.

3 **SEC. 506. GAO STUDY ON DISPARATE IMPACT OF CREDIT**  
4 **SYSTEM.**

5 (a) **STUDY REQUIRED.**—The Comptroller General  
6 shall conduct a study of the credit system to determine  
7 the extent to which, if any, discrimination exists with re-  
8 gard to the availability and the terms of credit which has  
9 a disparate impact on the basis of race, color, income and  
10 education level, geographic location, age, sex, sexual ori-  
11 entation, national origin, or marital status and the nature  
12 of any such discriminatory effect.

13 (b) **REPORT REQUIRED.**—Before the end of the 2-  
14 year period beginning on the date of the enactment of this  
15 Act, the Comptroller General shall submit a report to the  
16 Congress on the findings and conclusions of the Comp-  
17 troller General pursuant to the study conducted under  
18 subsection (a), together with such recommendations for  
19 legislative or administrative action as the Comptroller  
20 General may determine to be appropriate.

21 **SEC. 507. ANALYSIS OF FURTHER RESTRICTIONS ON OF-**  
22 **FERS OF CREDIT OR INSURANCE.**

23 (a) **IN GENERAL.**—The Board of Governors of the  
24 Federal Reserve System shall conduct a study of—

1           (1) the ability of consumers to avoid receiving  
2           written offers of credit or insurance in connection  
3           with transactions not initiated by the consumer; and

4           (2) the potential impact any further restrictions  
5           on providing consumers with such written offers of  
6           credit or insurance would have on consumers.

7           (b) REPORT.—The Board of Governors of the Fed-  
8           eral Reserve System shall submit a report summarizing  
9           the results of the study required under subsection (a) to  
10          the Congress no later than 12 months after the date of  
11          the enactment of this Act, together with such  
12          recommendations for legislative or administrative action  
13          as the Board may determine to be appropriate.

14          (c) CONTENT OF REPORT.—The report described in  
15          subsection (b) shall address the following issues:

16               (1) The current statutory or voluntary mecha-  
17               nisms that are available to a consumer to notify  
18               lenders and insurance providers that the consumer  
19               does not wish to receive written offers of credit or  
20               insurance.

21               (2) The extent to which consumers are cur-  
22               rently utilizing existing statutory and voluntary  
23               mechanisms to avoid receiving offers of credit or in-  
24               surance.

1           (3) The benefits provided to consumers as a re-  
2           sult of receiving written offers of credit or insurance.

3           (4) Whether consumers incur significant costs  
4           or are otherwise adversely affected by the receipt of  
5           written offers of credit or insurance.

6           (5) Whether further restricting the ability of  
7           lenders and insurers to provide written offers of  
8           credit or insurance to consumers would affect—

9                   (A) the cost consumers pay to obtain credit  
10                   or insurance;

11                   (B) the availability of credit or insurance;

12                   (C) consumers' knowledge about new or al-  
13                   ternative products and services;

14                   (D) the ability of lenders or insurers to  
15                   compete with one another; and

16                   (E) the ability to offer credit or insurance  
17                   products to consumers who have been tradition-  
18                   ally underserved.

19 **SEC. 508. STUDY ON THE NEED AND THE MEANS FOR IM-**  
20 **PROVING FINANCIAL LITERACY AMONG CON-**  
21 **SUMERS.**

22           (a) **STUDY REQUIRED.**—The Comptroller General  
23 shall conduct a study to assess the extent of consumers'  
24 knowledge and awareness of credit reports, credit scores,

1 and the dispute resolution process, and on methods for  
2 improving financial literacy among consumers.

3 (b) FACTORS TO BE INCLUDED.—The study re-  
4 quired under subsection (a) shall include the following  
5 issues:

6 (1) The number of consumers who view their  
7 credit reports.

8 (2) Under what conditions and for what pur-  
9 poses do consumers primarily obtain a copy of their  
10 consumer report (such as for the purpose of ensur-  
11 ing the completeness and accuracy of the contents,  
12 to protect against fraud, in response to an adverse  
13 action based on the report, or in response to sus-  
14 pected identity theft) and approximately what per-  
15 centage of the total number of consumers who ob-  
16 tain a copy of their consumer report do so for each  
17 such primary purpose.

18 (3) The extent of consumers' knowledge of the  
19 data collection process.

20 (4) The extent to which consumers know how to  
21 get a copy of a consumer report.

22 (5) The extent to which consumers know and  
23 understand the factors that positively or negatively  
24 impact credit scores.

1           (c) REPORT REQUIRED.—Before the end of the 9-  
2 month period beginning on the date of the enactment of  
3 this Act, the Comptroller General shall submit a report  
4 to the Congress on the findings and conclusions of the  
5 Comptroller General pursuant to the study conducted  
6 under subsection (a), together with such recommendations  
7 for legislative or administrative action as the Comptroller  
8 General may determine to be appropriate, including rec-  
9 ommendations on methods for improving financial literacy  
10 among consumers.

11 **SEC. 509. DISCLOSURE OF INCREASE IN APR UNDER CER-**  
12 **TAIN CIRCUMSTANCES.**

13           Section 609 of the Fair Credit Reporting Act (15  
14 U.S.C. 1681m) is amended by inserting after subsection  
15 (f) (as added by section 502(c) of this title) the following  
16 new subsection:

17           “(g) DISCLOSURE TO CONSUMER.—

18                   “(1) IN GENERAL.—The ability of a credit card  
19 issuer to increase any annual percentage rate appli-  
20 cable to a credit card account, or to remove or in-  
21 crease any introductory annual percentage rate of  
22 interest applicable to such account, for reasons other  
23 than actions or omissions of the card holder that are  
24 directly related to such account shall be clearly and  
25 conspicuously disclosed to the consumer by the cred-

1 it card issuer in any disclosure or statement required  
2 to be made to the consumer under this title in con-  
3 nection with a credit card solicitation that is not ini-  
4 tiated by the consumer.

5 “(2) REGULATIONS AND MODEL STATE-  
6 MENTS.—The Board, in consultation with the Fed-  
7 eral banking agencies and the National Credit Union  
8 Administration, shall develop such guidelines in reg-  
9 ulations as necessary to assure that the information  
10 to be disclosed to consumers pursuant to paragraph  
11 (1) is clearly and conspicuously provided in a promi-  
12 nent location in any credit card solicitation that is  
13 not initiated by the consumer, and shall include  
14 model disclosure statements to be used by credit  
15 card issuers in making the disclosures required to be  
16 provided to the consumer by paragraph (1).”.

17 **TITLE VI—PROTECTING EM-**  
18 **PLOYEE MISCONDUCT INVES-**  
19 **TIGATIONS**

20 **SEC. 601. CERTAIN EMPLOYEE INVESTIGATION COMMU-**  
21 **NICATIONS EXCLUDED FROM DEFINITION OF**  
22 **CONSUMER REPORT.**

23 (a) IN GENERAL.—Section 603 of the Fair Credit  
24 Reporting Act (15 U.S.C. 1681a) is amended by inserting  
25 after subsection (p) the following new subsection:

1       “(q) EXCLUSION OF CERTAIN COMMUNICATIONS FOR  
2 EMPLOYEE INVESTIGATIONS.—

3               “(1) COMMUNICATIONS DESCRIBED IN THIS  
4 SUBSECTION.—A communication is described in this  
5 subsection if—

6                       “(A) but for subsection (d)(2)(D), the  
7 communication would be a consumer report;

8                       “(B) the communication is made to an em-  
9 ployer in connection with an investigation of—

10                               “(i) suspected misconduct relating to  
11 employment; or

12                               “(ii) compliance with Federal, State,  
13 or local laws and regulations, the rules of  
14 a self-regulatory organization, or any pre-  
15 existing written policies of the employer;

16                       “(C) the communication is not made for  
17 the purpose of investigating a consumer’s credit  
18 worthiness, credit standing, or credit capacity;  
19 and

20                       “(D) the communication is not provided to  
21 any person except—

22                               “(i) to the employer or an agent of  
23 the employer;

24                               “(ii) to any Federal or State officer,  
25 agency, or department, or any officer,

1 agency, or department of a unit of general  
2 local government;

3 “(iii) to any self-regulatory organiza-  
4 tion with regulatory authority over the ac-  
5 tivities of the employer or employee;

6 “(iv) as otherwise required by law; or

7 “(v) pursuant to section 608.

8 “(2) SUBSEQUENT DISCLOSURE.—After taking  
9 any adverse action based in whole or in part on a  
10 communication described in paragraph (1), the em-  
11 ployer shall disclose to the consumer a summary  
12 containing the nature and substance of the commu-  
13 nication upon which the adverse action is based, ex-  
14 cept that the sources of information acquired solely  
15 for use in preparing what would be but for sub-  
16 section (d)(2)(D) an investigative consumer report  
17 need not be disclosed.

18 “(3) SELF-REGULATORY ORGANIZATION DE-  
19 FINED.—For purposes of this subsection, the term  
20 ‘self-regulatory organization’ includes any self-regu-  
21 latory organization (as defined in section 3(a)(26) of  
22 the Securities Exchange Act of 1934), any entity es-  
23 tablished under title I of the Sarbanes-Oxley Act of  
24 2002, any board of trade designated by the Com-

1 modify Futures Trading Commission, and any fu-  
 2 tures association registered with such Commission.”.

3 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
 4 Section 603(d)(2)(D) of the Fair Credit Reporting Act (15  
 5 U.S.C. 1681a(d)(2)(D)) is amended by inserting “or (q)”  
 6 after “subsection (o)”.

7 **TITLE VII—LIMITING THE USE**  
 8 **AND SHARING OF MEDICAL**  
 9 **INFORMATION IN THE FINAN-**  
 10 **CIAL SYSTEM**

11 **SEC. 701. PROTECTION OF MEDICAL INFORMATION IN THE**  
 12 **FINANCIAL SYSTEM.**

13 (a) IN GENERAL.—Section 604(g) of the Fair Credit  
 14 Reporting Act (15 U.S.C. 1681b(g)) is amended to read  
 15 as follows:

16 “(g) PROTECTION OF MEDICAL INFORMATION.—

17 “(1) LIMITATION ON CONSUMER REPORTING  
 18 AGENCIES.—A consumer reporting agency shall not  
 19 furnish for employment purposes, or in connection  
 20 with a credit or insurance transaction, a consumer  
 21 report that contains medical information about a  
 22 consumer, unless—

23 “(A) if furnished in connection with an in-  
 24 surance transaction, the consumer affirmatively  
 25 consents to the furnishing of the report;

1           “(B) if furnished for employment purposes  
2 or in connection with a credit transaction—

3                   “(i) the information to be furnished is  
4 relevant to process or effect the employ-  
5 ment or credit transaction; and

6                   “(ii) the consumer provides specific  
7 written consent for the furnishing of the  
8 report that describes in clear and con-  
9 spicuous language the use for which the in-  
10 formation will be furnished; or

11           “(C) the information to be furnished per-  
12 tains solely to transactions, accounts, or bal-  
13 ances relating to debts arising from the receipt  
14 of medical services, products, or devices, where  
15 such information, other than account status or  
16 amounts, is restricted or reported using codes  
17 that do not identify, or do not provide informa-  
18 tion sufficient to infer, the specific provider or  
19 the nature of such services, products, or de-  
20 vices, as provided in section 605(a)(6)).

21           “(2) LIMITATION ON CREDITORS.—Except as  
22 permitted pursuant to paragraph (3)(C) or regula-  
23 tions prescribed under paragraph (5)(A), a creditor  
24 shall not obtain or use medical information per-  
25 taining to a consumer in connection with any deter-

1 mination of the consumer’s eligibility, or continued  
2 eligibility, for credit.

3 “(3) ACTIONS AUTHORIZED BY FEDERAL LAW,  
4 INSURANCE ACTIVITIES AND REGULATORY DETER-  
5 MINATIONS.—Section 603(d)(3) shall not be con-  
6 strued so as to treat information or any communica-  
7 tion of information as a consumer report if the in-  
8 formation or communication is disclosed—

9 “(A) in connection with the business of in-  
10 surance or annuities, including the activities de-  
11 scribed in section 18B of the model Privacy of  
12 Consumer Financial and Health Information  
13 Regulation issued by the National Association  
14 of Insurance Commissioners (as in effect on  
15 January 1, 2003);

16 “(B) for any purpose permitted without  
17 authorization under the Standards for Individ-  
18 ually Identifiable Health Information promul-  
19 gated by the Department of Health and Human  
20 Services pursuant to the Health Insurance  
21 Portability and Accountability Act of 1996, or  
22 referred to under section 1179 of such Act, or  
23 described in section 502(e) of Public Law 106–  
24 102; or

1           “(C) as otherwise determined to be nec-  
2           essary and appropriate, by regulation or order  
3           and subject to paragraph (6), by the Commis-  
4           sion, any Federal banking agency or the Na-  
5           tional Credit Union Administration (with re-  
6           spect to any financial institution subject to the  
7           jurisdiction of such agency or Administration  
8           under paragraph (1), (2), or (3) of section  
9           621(b), or the applicable State insurance au-  
10          thority (with respect to any person engaged in  
11          providing insurance or annuities).

12          “(4) LIMITATION ON REDISCLOSURE OF MED-  
13          ICAL INFORMATION.—Any person that receives med-  
14          ical information pursuant to paragraphs (1) or (3)  
15          shall not disclose such information to any other per-  
16          son except as necessary to carry out the purposes for  
17          which the information was initially disclosed, or as  
18          otherwise permitted by statute, regulation, or order.

19          “(5) REGULATIONS AND EFFECTIVE DATE FOR  
20          PARAGRAPH (2).—

21                 “(A) REGULATIONS REQUIRED.—Each  
22                 Federal banking agency and the National Cred-  
23                 it Union Administration shall, subject to para-  
24                 graph (6) and after notice and opportunity for  
25                 comment, prescribe regulations that permit

1 transactions under paragraph (2) that are de-  
2 termined to be necessary and appropriate to  
3 protect legitimate operational, transactional,  
4 risk, consumer, and other needs (and which  
5 shall include permitting actions necessary for  
6 administrative verification purposes), consistent  
7 with the intent of paragraph (2) to restrict the  
8 use of medical information for inappropriate  
9 purposes.

10 “(B) FINAL REGULATIONS REQUIRED.—

11 The Federal banking agencies and the National  
12 Credit Union Administration shall prescribe the  
13 regulations required under subparagraph (A) in  
14 final form before the end of the 6-month period  
15 beginning on the date of the enactment of the  
16 Fair and Accurate Credit Transactions Act of  
17 2003.

18 “(6) COORDINATION WITH OTHER LAWS.—No

19 provision of this subsection shall be construed as al-  
20 tering, affecting, or superseding the applicability of  
21 any other provision of Federal law relating to med-  
22 ical confidentiality.”.

23 (b) RESTRICTION ON SHARING OF MEDICAL INFOR-  
24 MATION.—Section 603(d) of the Fair Credit Reporting  
25 Act (15 U.S.C. 1681a(d)) is amended—

1           (1) in paragraph (2), by striking “The term”  
2           and inserting “Except as provided in paragraph (3),  
3           the term”; and

4           (2) by adding at the end the following new  
5           paragraph:

6           “(3) RESTRICTION ON SHARING OF MEDICAL  
7           INFORMATION.—Except for information or any com-  
8           munication of information disclosed as provided in  
9           section 604(g)(3), the exclusions in paragraph (2)  
10          shall not apply with respect to information disclosed  
11          to any person related by common ownership or affili-  
12          ated by corporate control if—

13                 “(A) the information is medical informa-  
14                 tion; or

15                 “(B) the information is an individualized  
16                 list or description based on a consumer’s pay-  
17                 ment transactions for medical products or serv-  
18                 ices, or an aggregate list of identified con-  
19                 sumers based on payment transactions for med-  
20                 ical products or services.”.

21 **SEC. 702. CONFIDENTIALITY OF MEDICAL CONTACT INFOR-**  
22 **MATION IN CREDIT REPORTS.**

23           (a) DUTIES OF MEDICAL INFORMATION FUR-  
24 NISHERS.—Section 623(a) of the Fair Credit Reporting  
25 Act (15 U.S.C. 1681s–2(a)) is amended by inserting after

1 paragraph (7) (as added by section 504(a)) the following  
2 new paragraph:

3           “(8) DUTY TO PROVIDE NOTICE OF STATUS AS  
4 MEDICAL INFORMATION FURNISHER.—A person  
5 whose primary business is providing medical serv-  
6 ices, products, or devices, or the person’s agent or  
7 assignee, who furnishes information to a consumer  
8 reporting agency on a consumer shall be considered  
9 a medical information furnisher for the purposes of  
10 this title and shall notify the agency of such sta-  
11 tus.”.

12           (b) RESTRICTION OF DISSEMINATION OF MEDICAL  
13 CONTACT INFORMATION.—Section 605(a) of the Fair  
14 Credit Reporting Act (15 U.S.C. 1681c(a)) is amended by  
15 adding the following new paragraph:

16           “(6) The name, address, and telephone number  
17 of any medical information furnisher that has noti-  
18 fied the agency of its status, unless—

19                   “(A) such name, address, and telephone  
20 number are restricted or reported using codes  
21 that do not identify, or provide information suf-  
22 ficient to infer, the specific provider or the na-  
23 ture of such services, products, or devices to a  
24 person other than the consumer; or

1           “(B) the report is being provided to an in-  
2           surance company for a purpose relating to en-  
3           gaging in the business of insurance other than  
4           property and casualty insurance.”.

5           (c) NO EXCEPTIONS ALLOWED FOR DOLLAR  
6 AMOUNTS.—Section 605(b) of the Fair Credit Reporting  
7 Act (15 U.S.C. 1681c(b)) is amended by striking “The  
8 provisions of subsection (a)” and inserting “The provi-  
9 sions of paragraphs (1) through (5) of subsection (a)”.

10          (d) COORDINATION WITH OTHER LAWS.—No provi-  
11 sion of any amendment made by this section shall be con-  
12 strued as altering, affecting, or superseding the applica-  
13 bility of any other provision of Federal law relating to  
14 medical confidentiality.

15          (e) FTC REGULATION OF CODING OF TRADE  
16 NAMES.—Section 621 of the Fair Credit Reporting Act  
17 (15 U.S.C. 1681s) is amended by inserting after sub-  
18 section (f) (as added by section 301 of this Act) the fol-  
19 lowing new subsection:

20          “(g) FTC REGULATION OF CODING OF TRADE  
21 NAMES.—If the Commission determines that a person de-  
22 scribed in paragraph (8) of section 623(a) has not met  
23 the requirements of such paragraph, the Commission shall  
24 take action to ensure the person’s compliance with such  
25 paragraph, which may include issuing model guidance or

1 prescribing reasonable policies and procedures as nec-  
2 essary to ensure that such person complies with such para-  
3 graph.”.

4 (f) TECHNICAL AND CONFORMING AMENDMENTS.—  
5 Section 604(g) of the Fair Credit Reporting Act (15  
6 U.S.C. 1681b(g)) (as amended by section 701) is amend-  
7 ed—

8 (1) in paragraph (1) by inserting “(other than  
9 medical contact information treated in the manner  
10 required under section 605(a)(6))” after “a con-  
11 sumer report that contains medical information”;  
12 and

13 (2) in paragraph (2) by inserting “(other than  
14 medical information treated in the manner required  
15 under section 605(a)(6))” after “a creditor shall not  
16 obtain or use medical information”.

17 (g) EFFECTIVE DATE.—The amendments made by  
18 this section shall take effect at the end of the 15-month  
19 period beginning on the date of the enactment of this Act.

Passed the House of Representatives September 10,  
2003.

Attest:

JEFF TRANDAHL,

*Clerk.*