

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3518

To amend the Credit Repair Organizations Act to establish a new disclosure statement.

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IN THE SENATE OF THE UNITED STATES

JUNE 15, 2006

Mr. BENNETT introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Credit Repair Organizations Act to establish a new disclosure statement.

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. REVISION OF DISCLOSURE REQUIREMENTS.**

4       Section 405(a) of the Credit Repair Organizations  
5       Act (15 U.S.C. 1679c) is amended by striking everything  
6       after the heading of the disclosure statement contained in  
7       such section and inserting the following new text of the  
8       disclosure statement:

9                “‘You have a right to dispute inaccurate infor-  
10       mation in your credit report by contacting the credit

1 bureau directly. However, neither you nor any “cred-  
2 it repair” company or credit repair organization has  
3 the right to have accurate, current, and verifiable in-  
4 formation removed from your credit report. The  
5 credit bureau must remove accurate, negative infor-  
6 mation from your report only if it is over 7 years  
7 old. Bankruptcy information can be reported for 10  
8 years.

9 “You have a right to obtain a free copy of  
10 your credit report once every 12 months from each  
11 of the nationwide consumer reporting agencies. To  
12 request your free annual credit report, you may go  
13 to [www.annualcreditreport.com](http://www.annualcreditreport.com), or call 877-322-  
14 8228, or complete the Annual Credit Report Request  
15 Form and mail it to: Annual Credit Report Request  
16 Service, P.O. Box 105281, Atlanta, GA 30348-  
17 5281. You can obtain additional copies of your cred-  
18 it report from a credit bureau, for which you may  
19 be charged a reasonable fee. There is no fee, how-  
20 ever, if you have been turned down for credit, em-  
21 ployment, insurance, or a rental dwelling because of  
22 information in your credit report within the pre-  
23 ceding 60 days. The credit bureau must provide  
24 someone to help you interpret the information in  
25 your credit file. You are entitled to receive a free

1 copy of your credit report if you are unemployed and  
2 intend to apply for employment in the next 60 days,  
3 if you are a recipient of public welfare assistance, or  
4 if you have reason to believe that there is inaccurate  
5 information in your credit report due to fraud.

6 “You have a right to sue a credit repair orga-  
7 nization that violates the Credit Repair Organization  
8 Act. This law prohibits deceptive practices by credit  
9 repair organizations.

10 “You have the right to cancel your contract  
11 with any credit repair organization for any reason  
12 within 3 business days from the date you signed it.

13 “Credit bureaus are required to follow reason-  
14 able procedures to ensure that the information they  
15 report is accurate. However, mistakes may occur.

16 “You may, on your own, notify a credit bureau  
17 in writing that you dispute the accuracy of informa-  
18 tion in your credit file. The credit bureau must then  
19 reinvestigate and modify or remove inaccurate or in-  
20 complete information. The credit bureau may not  
21 charge any fee for this service. Any pertinent infor-  
22 mation and copies of all documents you have con-  
23 cerning an error should be given to the credit bu-  
24 reau.

1           “‘If the credit bureau’s reinvestigation does not  
2           resolve the dispute to your satisfaction, you may  
3           send a brief statement to the credit bureau, to be  
4           kept in your file, explaining why you think the  
5           record is inaccurate. The credit bureau must include  
6           a summary of your statement about disputed infor-  
7           mation with any report it issues about you.

8           “‘The Federal Trade Commission regulates  
9           credit bureaus and credit repair organizations. For  
10          more information contact:

11           “‘Federal Trade Commission

12           “‘Washington, D.C. 20580

13           “‘1-877-FTC-HELP

14           “‘(877 382-4357)

15           “‘www.ftc.gov.’”.

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