

116TH CONGRESS
2D SESSION

S. 3508

To amend the Fair Credit Reporting Act to provide for disaster protection
for workers' credit.

IN THE SENATE OF THE UNITED STATES

MARCH 17, 2020

Mr. SCHATZ (for himself and Mr. BROWN) introduced the following bill; which
was read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

A BILL

To amend the Fair Credit Reporting Act to provide for
disaster protection for workers' credit.

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.**

4 This Act may be cited as the “Disaster Protection
5 for Workers' Credit Act of 2020”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act, and the amendments made
8 by this Act, is to protect consumers' credit from negative
9 impacts as a result of financial hardship due to the

1 coronavirus disease (COVID–19) outbreak and future
 2 major disasters.

3 **SEC. 3. REPORTING OF INFORMATION DURING MAJOR DIS-**
 4 **ASTERS.**

5 (a) IN GENERAL.—The Fair Credit Reporting Act is
 6 amended by inserting after section 605B the following:

7 **“§ 605C. Reporting of information during major disas-**
 8 **ters**

9 “(a) DEFINITIONS.—In this section:

10 “(1) COVERED CORONAVIRUS DISEASE (COVID–
 11 19) OUTBREAK PERIOD.—The term ‘covered
 12 coronavirus disease (COVID–19) outbreak period’
 13 means the period beginning on January 31, 2020,
 14 and ending on the later of—

15 “(A) 120 days after the date of enactment
 16 of this section; or

17 “(B) 120 days after the date on which the
 18 public health emergency declared by the Sec-
 19 retary of Health and Human Services on Janu-
 20 ary 31, 2020, under section 319 of the Public
 21 Health Service Act (42 U.S.C. 247d), termi-
 22 nates.

23 “(2) COVERED MAJOR DISASTER PERIOD.—The
 24 term ‘covered major disaster period’ means the pe-
 25 riod beginning on the date on which a major disaster

1 is declared by the President under section 401 of the
2 Robert T. Stafford Disaster Relief and Emergency
3 Assistance Act (42 U.S.C. 5170) and ending on the
4 date that is 120 days after the end of the incident
5 period designated in such declaration.

6 “(3) MAJOR DISASTER.—The term ‘major dis-
7 aster’ means a major disaster declared by the Presi-
8 dent under section 401 of the Robert T. Stafford
9 Disaster Relief and Emergency Assistance Act (42
10 U.S.C. 5170), under which assistance is authorized
11 under section 408 of such Act (42 U.S.C. 5174).

12 “(b) MORATORIUM ON FURNISHING ADVERSE IN-
13 FORMATION DURING COVERED CORONAVIRUS DISEASE
14 (COVID–19) OUTBREAK PERIOD.—No person may fur-
15 nish any adverse item of information relating to a con-
16 sumer that was the result of any action or inaction that
17 occurred during the covered coronavirus disease (COVID–
18 19) outbreak period.

19 “(c) MORATORIUM ON FURNISHING ADVERSE INFOR-
20 MATION DURING COVERED MAJOR DISASTER PERIOD.—
21 No person may furnish any adverse item of information
22 relating to a consumer that was the result of any action
23 or inaction that occurred during a covered major disaster
24 period if the consumer is a resident of the affected area
25 covered by a declaration made by the President under sec-

tion 401 of the Robert T. Stafford Disaster Relief and
Emergency Assistance Act (42 U.S.C. 5170).

“(d) INFORMATION EXCLUDED FROM CONSUMER
REPORTS.—In addition to the information described in
section 605(a), no consumer reporting agency may make
any consumer report containing an adverse item of infor-
mation reported relating to a consumer that was the result
of any action or inaction that occurred during the covered
coronavirus disease (COVID–19) outbreak period or a cov-
ered major disaster period, and as applicable under sub-
section (f)(3), for 270 days after the expiration of the ap-
plicable period.

“(e) SUMMARY OF RIGHTS.—The model summary of
rights under section 609(c)(1) shall include a description
of the right of a consumer to—

“(1) request the deletion of adverse items of in-
formation under subsection (f); and

“(2) request a consumer report or score, with-
out charge to the consumer, under subsection (g).

“(f) DELETION OF ADVERSE ITEMS OF INFORMA-
TION RESULTING FROM THE CORONAVIRUS DISEASE
(COVID–19) OUTBREAK AND MAJOR DISASTERS.—

“(1) REPORTING.—

“(A) IN GENERAL.—Not later than 30
days after the date of enactment of this sub-

1 section, the Bureau shall create a website for
2 consumers to report, under penalty of perjury,
3 economic hardship as a result of the
4 coronavirus disease (COVID–19) outbreak or a
5 major disaster for the purpose of extending
6 credit report protection for an additional 270
7 days after the end of the covered coronavirus
8 disease (COVID–19) outbreak period or covered
9 major disaster period, as applicable.

10 “(B) DOCUMENTATION.—The Bureau
11 shall—

12 “(i) not require any documentation
13 from a consumer to substantiate the eco-
14 nomic hardship; and

15 “(ii) provide notice to the consumer
16 that a report under subparagraph (A) is
17 under penalty of perjury.

18 “(C) REPORTING PERIOD.—A consumer
19 may report economic hardship under subpara-
20 graph (A) during the covered coronavirus dis-
21 ease (COVID–19) outbreak period or a covered
22 major disaster period, as applicable, and for 60
23 days thereafter.

24 “(2) DATABASE.—The Bureau shall establish
25 and maintain a secure database that—

“(A) is accessible to each consumer reporting agency described in section 603(p) and nationwide specialty consumer reporting agency for purposes of fulfilling their duties under paragraph (3) to check and automatically delete any adverse item of information reported that occurred during the covered coronavirus disease (COVID–19) outbreak period or a covered major disaster period with respect to a consumer; and

“(B) contains the information reported under paragraph (1).

“(3) DELETION OF ADVERSE ITEMS OF INFORMATION BY NATIONWIDE CONSUMER REPORTING AND NATIONWIDE SPECIALTY CONSUMER REPORTING AGENCIES.—

“(A) IN GENERAL.—Each consumer reporting agency described in section 603(p) and each nationwide specialty consumer reporting agency shall, using the information contained in the database established under paragraph (2), delete from the file of each consumer named in the database each adverse item of information that was a result of an action or inaction that occurred during the covered coronavirus disease

1 (COVID–19) outbreak period or a covered
 2 major disaster period up to 270 days following
 3 the end of the such period.

4 “(B) TIMELINE.—Each consumer report-
 5 ing agency described in section 603(p) and each
 6 nationwide specialty consumer reporting agency
 7 shall check the database at least weekly and de-
 8 lete adverse items of information as soon as
 9 practicable after information that is reported
 10 under paragraph (1) appears in the database
 11 established under paragraph (2).

12 “(4) REQUEST FOR DELETION OF ADVERSE
 13 ITEMS OF INFORMATION.—

14 “(A) IN GENERAL.—A consumer who has
 15 filed a report of economic hardship with the
 16 Bureau may submit a request, without charge
 17 to the consumer, to a consumer reporting agen-
 18 cy to delete from the consumer’s file an adverse
 19 item of information that was a result of an ac-
 20 tion or inaction that occurred during the cov-
 21 ered coronavirus disease (COVID–19) outbreak
 22 period or a covered major disaster period up to
 23 270 days following the end of the such period.

1 “(B) TIMING.—A consumer may submit a
 2 request under subparagraph (A), not later than
 3 270-day period described in that subparagraph.

4 “(C) REMOVAL AND NOTIFICATION.—Upon
 5 receiving a request under this paragraph to de-
 6 lete an adverse item of information, a consumer
 7 reporting agency shall—

8 “(i) delete the adverse item of infor-
 9 mation from the consumer’s file; and

10 “(ii) notify the consumer and the fur-
 11 nisher of the adverse item of information
 12 of the deletion.

13 “(g) FREE CREDIT REPORT AND SCORES.—

14 “(1) IN GENERAL.—During the covered
 15 coronavirus disease (COVID–19) outbreak period or
 16 a covered major disaster period and ending 12
 17 months after the expiration of the covered
 18 coronavirus disease (COVID–19) outbreak period or
 19 covered major disaster period, as applicable, each
 20 consumer reporting agency as described under
 21 603(p) and nationwide specialty consumer reporting
 22 agency shall make all disclosures described under
 23 section 609 upon request by a consumer, by mail or
 24 online, without charge to the consumer and without
 25 limitation as to the number of requests. A consumer

1 reporting agency shall also supply a consumer, upon
2 request and without charge, with a credit score
3 that—

4 “(A) is derived from a credit scoring model
5 that is widely distributed to users by the con-
6 sumer reporting agency for the purpose of any
7 extension of credit or other transaction des-
8 ignated by the consumer who is requesting the
9 credit score; or

10 “(B) is widely distributed to lenders of
11 common consumer loan products and predicts
12 the future credit behavior of the consumer.

13 “(2) TIMING.—A file disclosure or credit score
14 under paragraph (1) shall be provided to the con-
15 sumer not later than—

16 “(A) 7 days after the date on which the re-
17 quest is received if the request is made by mail;
18 and

19 “(B) not later than 15 minutes if the re-
20 quest is made online.

21 “(3) ADDITIONAL REPORTS.—A file disclosure
22 provided under paragraph (1) shall be in addition to
23 any disclosure requested by the consumer under sec-
24 tion 612(a).

1 “(4) PROHIBITION.—A consumer reporting
 2 agency that receives a request under paragraph (1)
 3 may not request or require any documentation from
 4 the consumer that demonstrates that the consumer
 5 was impacted by the coronavirus disease (COVID–
 6 19) outbreak or a major disaster (except to verify
 7 that the consumer resides in an area covered by the
 8 major disaster) as a condition of receiving the file
 9 disclosure or score.

10 “(h) POSTING OF RIGHTS.—Not later than 30 days
 11 after the date of enactment of this section, each consumer
 12 reporting agency shall prominently post and maintain a
 13 direct link on the homepage of the public website of the
 14 consumer reporting agency information relating to the
 15 right of consumers to—

16 “(1) request the deletion of adverse items of in-
 17 formation under subsection (f); and

18 “(2) request consumer file disclosures and
 19 scores, without charge to the consumer, under sub-
 20 section (g).”.

21 (b) TECHNICAL AND CONFORMING AMENDMENT.—
 22 The table of contents for the Fair Credit Reporting Act
 23 is amended by inserting after the item relating to section
 24 605B the following:

“605C. Reporting of information during major disasters.”.

