

**AMENDMENT TO THE RULES COMMITTEE PRINT**  
**116-47**  
**OFFERED BY MR. MCHENRY OF NORTH**  
**CAROLINA**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. CYBERSECURITY SUPERVISION AND EXAMINA-**  
2 **TION OF LARGE CONSUMER REPORTING**  
3 **AGENCIES.**

4 (a) IN GENERAL.—The Fair Credit Reporting Act  
5 (15 U.S.C. 1681 et seq.) is amended by adding at the end  
6 the following:

7 **“SEC. 630. CYBERSECURITY SUPERVISION AND EXAMINA-**  
8 **TION OF LARGE CONSUMER REPORTING**  
9 **AGENCIES.**

10 “Consumer reporting agencies described under sec-  
11 tion 603(p) shall be subject to cybersecurity supervision  
12 and examination by the Bureau.”.

13 (b) CLERICAL AMENDMENT.—The table of contents  
14 of the Fair Credit Reporting Act is amended by adding  
15 at the end the following:

“630. Cybersecurity supervision and examination of large consumer reporting agencies.”.

1 **SEC. 2. PROHIBITION ON THE USE OF SOCIAL SECURITY**  
2 **NUMBERS.**

3 (a) IN GENERAL.—Section 605 of the Fair Credit  
4 Reporting Act (15 U.S.C. 1681e) is amended by adding  
5 at the end the following:

6 “(i) PROHIBITION ON THE USE OF SOCIAL SECURITY  
7 NUMBERS.—A consumer reporting agency described  
8 under section 603(p)—

9 “(1) may not make any consumer report con-  
10 taining a social security number; and

11 “(2) may not use the social security number of  
12 a consumer as a method to verify the consumer.”.

13 (b) CONFORMING AMENDMENT.—Section 609(a)(1)  
14 of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1))  
15 is amended by striking “except that—” and all that fol-  
16 lows through “(B) nothing” and inserting “except that  
17 nothing”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall take effect on January 1, 2021.

20 **SEC. 3. EXCLUSION OF PAID MEDICAL DEBT.**

21 Section 605(a) of the Fair Credit Reporting Act (15  
22 U.S.C. 1681e(a)) is amended, by adding at the end the  
23 following:

24 “(9) Paid debt arising from the receipt of medi-  
25 cally necessary, non-elective medical services, prod-

1       ucts, or devices which from the date of payment,  
2       antedate the report by more than 1 year.”.

3 **SEC. 4. SECURITY FREEZES FOR PROTECTED CONSUMERS.**

4       (a) **PLACEMENT OF FREEZE.**—Section 605A(j)(2)(A)  
5 of the Fair Credit Reporting Act (15 U.S.C. 1681c–  
6 1(j)(2)(A)) is amended to read as follows:

7               “(A) **IN GENERAL.**—Upon receiving a di-  
8       rect request from a protected consumer’s rep-  
9       resentative, by mail, toll-free telephone, or se-  
10      cure electronic means, that a consumer report-  
11      ing agency place a security freeze, and upon re-  
12      ceiving sufficient proof of identification and suf-  
13      ficient proof of authority, the consumer report-  
14      ing agency shall, free of charge, place the secu-  
15      rity freeze not later than 3 business days after  
16      receiving the request directly from the protected  
17      consumer’s representative.”.

18      (b) **REMOVAL OF FREEZE.**—Section 605A(j)(4) of  
19 the Fair Credit Reporting Act (15 U.S.C. 1681c–1(j)(4))  
20 is amended—

21              (1) in subparagraph (A)(i), by inserting after  
22      “Upon the direct request” the following: “, by mail  
23      or secure electronic means,”;

1 (2) in subparagraph (A)(ii), by inserting after  
2 “Upon the direct request” the following: “, by mail  
3 or secure electronic means,”; and

4 (3) in subparagraph (C)—

5 (A) by striking “not later than—” and in-  
6 serting the “not later than 3 days business days  
7 after receiving the request directly from the  
8 protected consumer or protected consumer’s  
9 representative.”; and

10 (B) by striking clauses (i) and (ii).

11 **SEC. 5. PUBLIC RECORD DATA SOURCES IN CONSUMER RE-**  
12 **PORTS.**

13 Section 605(d) of the Fair Credit Reporting Act (15  
14 U.S.C. 1681e(d)) is amended by adding at the end the  
15 following:

16 “(3) PUBLIC RECORD DATA.—If a consumer re-  
17 porting agency furnishes a consumer report that  
18 contains public record data, such consumer reporting  
19 agency shall include the source of such public record  
20 data in such report.”.

1 **SEC. 6. PROHIBITION ON INCLUDING ADVERSE INFORMA-**  
2 **TION RELATED TO PREDATORY MORTGAGE**  
3 **LENDING.**

4 (a) IN GENERAL.—The Fair Credit Reporting Act  
5 (15 U.S.C. 1681 et seq.) is amended by inserting after  
6 section 605B the following:

7 **“§ 605C. Adverse information relating to predatory**  
8 **mortgage lending**

9 “(a) IN GENERAL.—A consumer reporting agency  
10 may not furnish any consumer report containing any ad-  
11 verse item of information relating to a covered residential  
12 mortgage loan (including the origination and servicing of  
13 such a loan, any loss mitigation activities related to such  
14 a loan, and any foreclosure, deed in lieu of foreclosure,  
15 or short sale related to such a loan), if the action or inac-  
16 tion to which the item of information relates—

17 “(1) resulted from an unfair, deceptive, or abu-  
18 sive act or practice, or a fraudulent, discriminatory,  
19 or illegal activity of a financial institution, as deter-  
20 mined by a court of competent jurisdiction; or

21 “(2) is related to an unfair, deceptive, or abu-  
22 sive act or practice, or a fraudulent, discriminatory,  
23 or illegal activity of a financial institution that is the  
24 subject of a settlement agreement initiated on behalf  
25 of a consumer and that is between the financial in-

1           stitution and an agency or department of a local,  
2           State, or Federal Government.

3           “(b) COVERED RESIDENTIAL MORTGAGE.—In this  
4 section, the term ‘covered residential mortgage loan’  
5 means any loan made primarily for personal, family, or  
6 household use that is secured by a mortgage, deed of trust,  
7 or other equivalent consensual security interest on a dwell-  
8 ing (as defined in section 103(w) of the Truth in Lending  
9 Act), including a loan in which the proceeds will be used  
10 for—

11                   “(1) a manufactured home (as defined in sec-  
12 tion 603 of the Housing and Community Develop-  
13 ment Act of 1974);

14                   “(2) any installment sales contract, land con-  
15 tract, or contract for deed on a residential property;  
16 or

17                   “(3) a reverse mortgage transaction (as defined  
18 in section 103(cc) of the Truth in Lending Act).”.

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

“605C. Adverse information relating to predatory mortgage lending.”.

1 **SEC. 7. PROHIBITION ON INCLUDING ADVERSE INFORMA-**  
2 **TION WHEN FINANCIAL ABUSE HAS BEEN DE-**  
3 **TERMINED.**

4       (a) IN GENERAL.—The Fair Credit Reporting Act  
5 (15 U.S.C. 1681 et seq.), as amended by section 6, is fur-  
6 ther amended by inserting after section 605C the fol-  
7 lowing:

8 **“§ 605D. Adverse information in cases of financial**  
9 **abuse**

10       “A consumer reporting agency may not furnish a con-  
11 sumer report containing any adverse item of information  
12 about a consumer that resulted from intentionally abusive  
13 or harmful financial behavior if—

14               “(1) a court of competent jurisdiction, in a law-  
15 suit that is not a class action lawsuit, has deter-  
16 mined that the consumer is a victim of such inten-  
17 tionally abusive or harmful financial behavior;

18               “(2) such intentionally abusive or harmful fi-  
19 nancial behavior was conducted by a spouse, family  
20 or household member, caregiver, or person with  
21 whom such consumer had a dating relationship; and

22               “(3) such consumer did not participate in or  
23 consent to such behavior.”.

24       (b) TABLE OF CONTENTS AMENDMENT.—The table  
25 of contents of the Fair Credit Reporting Act is amended

1 by inserting after the item relating to section 605C the  
2 following new item:

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

3 **SEC. 8. PROHIBITION ON INCLUDING ADVERSE INFORMA-**  
4 **TION WHEN A STUDENT OBLIGOR IS DE-**  
5 **FRAUDED.**

6 (a) IN GENERAL.—The Fair Credit Reporting Act  
7 (15 U.S.C. 1681 et seq.), as amended by section 7, is fur-  
8 ther amended by inserting after section 605D the fol-  
9 lowing:

10 **“§ 605E. Adverse information in cases of a defrauded**  
11 **student obligor.**

12 “(b) IN GENERAL.—A consumer reporting agency  
13 may not furnish a consumer report containing any adverse  
14 item of information about a consumer that resulted from  
15 a private student loan obligation if—

16 “(1) such consumer is a student obligor with  
17 respect to such private education loan; and

18 “(2) a court of competent jurisdiction, in a law-  
19 suit that is not a class action lawsuit, has deter-  
20 mined that such consumer is a victim of fraud with  
21 respect to such private education loan.

22 “(c) PRIVATE EDUCATION LOAN DEFINED.—For the  
23 purposes of this section, the term ‘private education loan’  
24 has the meaning given the term in section in section  
25 140(a) of the Truth in Lending Act.”.



1 (b) TABLE OF CONTENTS AMENDMENT.—The table  
2 of contents of the Fair Credit Reporting Act is amended  
3 by inserting after the item relating to section 605D the  
4 following new item:

“605E. Adverse information in cases of a defrauded student obligor.”.

5 **SEC. 9. BUREAU LIST OF CREDIT REPORTING AGENCIES.**

6 The Bureau of Consumer Financial Protection shall  
7 maintain a list of credit reporting agencies in the United  
8 States and publish such list of the website on the Bureau  
9 of Consumer Financial Protection.

10 **SEC. 10. STUDY AND REPORT TO CONGRESS ON USE OF**  
11 **NON-TRADITIONAL DATA IN CREDIT SCOR-**  
12 **ING.**

13 (a) STUDY.—The Bureau of Consumer Financial  
14 Protection shall carry out a study about the use of non-  
15 traditional data—

16 (1) by consumer reporting agencies when com-  
17 piling and furnishing consumer reports; and

18 (2) by persons that create, maintain, or pur-  
19 chase credit scoring models used in making credit  
20 decisions.

21 (b) REPORT.—Not later than 18 months after the  
22 date of the enactment of this section, the Bureau of Con-  
23 sumer Financial Protection shall issue a report to the  
24 Committee on Financial Services of the House of Rep-  
25 resentatives and the Committee on Banking, Housing, and

1 Urban Affairs of the Senate containing all findings and  
2 determinations, including any recommendations for any  
3 legislative or regulatory changes, made in carrying out the  
4 study required under subsection (a).

5 (c) DEFINITIONS.—For the purposes of this section,  
6 the terms “consumer reporting agency” and “consumer  
7 report” shall have the meanings given the terms in section  
8 603 of the Fair Credit Reporting Act.

9 **SEC. 11. CONSUMER BUREAU STUDY AND REPORT TO CON-**  
10 **GRESS ON THE IMPACT OF NON-TRADI-**  
11 **TIONAL DATA.**

12 (a) STUDY.—The Bureau of Consumer Financial  
13 Protection shall carry out a study to assess the impact  
14 (including the availability and affordability of credit and  
15 other noncredit decisions, the potential positive and nega-  
16 tive impacts on consumer credit scores, and any unin-  
17 tended consequences) of using traditional modeling tech-  
18 niques or alternative modeling techniques to analyze non-  
19 traditional data from a consumer report and of including  
20 non-traditional data on consumer reports on the following:

21 (1) Consumers with no or minimal traditional  
22 credit history.

23 (2) Traditionally underserved communities and  
24 populations.

25 (3) Consumers residing in rural areas.

1 (4) Consumers residing in urban areas.

2 (5) Racial and ethnic minorities and women.

3 (6) Consumers across various income strata,  
4 particularly consumers earning less than 120 per-  
5 cent of the area median income (as defined by the  
6 Secretary of Housing and Urban Development).

7 (7) Immigrants, refugees, and non-permanent  
8 residents.

9 (8) Minority financial institutions (as defined  
10 under section 308(b) of the Financial Institutions  
11 Reform, Recovery, and Enforcement Act of 1989  
12 (12 U.S.C. 1463 note)) and community financial in-  
13 stitutions.

14 (9) Consumers residing in federally assisted  
15 housing, including consumers receiving Federal rent-  
16 al subsidies.

17 (b) **ADDITIONAL CONSIDERATIONS.**—In assessing  
18 impacts under subsection (a), the Bureau of Consumer Fi-  
19 nancial Protection shall also consider impacts on—

20 (1) the privacy, security, and confidentiality of  
21 the financial, medical, and personally identifiable in-  
22 formation of consumers;

23 (2) the control of consumers over how such in-  
24 formation may or will be used or considered;

1           (3) the understanding of consumers of how  
2           such information may be used or considered and the  
3           ease with which a consumer may decide to restrict  
4           or prohibit such use or consideration of such infor-  
5           mation;

6           (4) potential discriminatory effects; and

7           (5) disparate outcomes the use or consideration  
8           of such information may cause.

9           (c) CONSIDERATION OF RECENT GOVERNMENT  
10          STUDIES.—In assessing impacts under subsection (a), the  
11          Bureau of Consumer Financial Protection shall also con-  
12          sider recent Government studies on alternative data, in-  
13          cluding—

14                 (1) the report of the Bureau of Consumer Fi-  
15                 nancial Protection titled “CFPB Data Point: Be-  
16                 coming Credit Visible” (published June 2017); and

17                 (2) the report of the Comptroller General of the  
18                 United States titled “Financial Technology: Agen-  
19                 cies Should Provide Clarification on Lenders’ Use of  
20                 Alternative Data” (published December 2018).

21           (d) REPORT.—Not later than 1 year after the date  
22          of the enactment of this Act, the Bureau of Consumer Fi-  
23          nancial Protection shall issue a report to the Committee  
24          on Financial Services of the House of Representatives and  
25          the Committee on Banking, Housing, and Urban Affairs

1 of the Senate containing all findings and determinations,  
2 including any recommendations for any legislative or regu-  
3 latory changes, made in carrying out the study required  
4 under subsection (a).

5 (e) DEFINITIONS.—In this section:

6 (1) ALTERNATIVE MODELING TECHNIQUES.—

7 The term “alternative modeling techniques” means  
8 statistical and mathematical techniques that are not  
9 traditional modeling techniques, including decision  
10 trees, random forests, artificial neural networks,  
11 nearest neighbor, genetic programming, and boost-  
12 ing algorithms.

13 (2) CONSUMER REPORT.—The term “consumer  
14 report” has the meaning given such term in section  
15 603 of the Fair Credit Reporting Act (15 U.S.C.  
16 1681a).

17 (3) NON-TRADITIONAL DATA.—The term “non-  
18 traditional data” means data related to tele-  
19 communications, utility payments, rent payments,  
20 remittances, wire transfers, data not otherwise regu-  
21 larly included in consumer reports issued by con-  
22 sumer reporting agencies described under section  
23 603(p), and such other items as the Bureau of Con-  
24 sumer Financial Protection deems appropriate.

1           (4) TRADITIONAL MODELING TECHNIQUES.—  
2           The term “traditional modeling techniques” means  
3           statistical and mathematical techniques (including  
4           models, algorithms, linear and logistic regression  
5           methods, and their outputs) that are traditionally  
6           used in automated underwriting processes.

7   **SEC. 12. SECURITIES AND EXCHANGE COMMISSION RE-**  
8                           **SERVE FUND.**

9           Clause (i) of section 4(i)(2)(B) of the Securities Ex-  
10          change Act of 1934 (15 U.S.C. 78d(i)(2)(B)(i)) is amend-  
11          ed by inserting before the semicolon the following: “, ex-  
12          cept that for fiscal year 2021, the amount deposited may  
13          not exceed \$30,000,000”.

