

**AMENDMENT TO THE RULES COMMITTEE PRINT**

**117-13**

**OFFERED BY MS. TLAIB OF MICHIGAN**

In title LI, add at the end the following:

1 **SEC. 5106. SERVICEMEMBER PROTECTIONS FOR MEDICAL**  
2 **DEBT COLLECTIONS.**

3 (a) AMENDMENTS TO THE FAIR DEBT COLLECTION  
4 PRACTICES ACT.—

5 (1) DEFINITION.—Section 803 of the Fair Debt  
6 Collection Practices Act (15 U.S.C. 1692a) is  
7 amended by adding at the end the following:

8 “(9) The term ‘medical debt’ means a debt  
9 arising from the receipt of medical services,  
10 products, or devices.”.

11 (2) UNFAIR PRACTICES.—Section 808 of the  
12 Fair Debt Collection Practices Act (15 U.S.C.  
13 1692f) is amended by adding at the end the fol-  
14 lowing:

15 “(9) Engaging in activities to collect or at-  
16 tempting to collect a medical debt owed or due  
17 or asserted to be owed or due by a consumer  
18 who was a member of the Armed Forces at the  
19 time such debt was incurred, before the end of

1 the 2-year period beginning on the date that  
2 the first payment with respect to such medical  
3 debt is due.”.

4 (b) PROHIBITION ON CONSUMER REPORTING AGEN-  
5 CIES REPORTING CERTAIN MEDICAL DEBT WITH RE-  
6 SPECT TO MEMBERS OF THE ARMED FORCES.—

7 (1) DEFINITION.—Section 603 of the Fair  
8 Credit Reporting Act (15 U.S.C. 1681a) is amended  
9 by adding at the end the following:

10 “(bb) MEDICAL DEBT.—The term ‘medical debt’  
11 means a debt arising from the receipt of medical services,  
12 products, or devices.

13 “(cc) MEDICALLY NECESSARY PROCEDURE.—The  
14 term ‘medically necessary procedure’ means—

15 “(1) health care services or supplies needed to  
16 diagnose or treat an illness, injury, condition, dis-  
17 ease, or its symptoms and that meet accepted stand-  
18 ards of medicine; and

19 “(2) health care to prevent illness or detect ill-  
20 ness at an early stage, when treatment is likely to  
21 work best (including preventive services such as pap  
22 tests, flu shots, and screening mammograms).”.

23 (2) IN GENERAL.—Section 605(a) of the Fair  
24 Credit Reporting Act (15 U.S.C. 1681c(a)) is  
25 amended—

1 (A) in paragraph (7), by adding at the end  
2 the following: “This paragraph shall not be sub-  
3 ject to section 625(b)(1)(E).”;

4 (B) in paragraph (8), by adding at the end  
5 the following: “This paragraph shall not be sub-  
6 ject to section 625(b)(1)(E).”; and

7 (C) by adding at the end the following new  
8 paragraphs:

9 “(9) Any information related to a debt arising  
10 from a medically necessary procedure that occurred  
11 when the consumer was a member of the Armed  
12 Forces. This paragraph shall not be subject to sec-  
13 tion 625(b)(1)(E).

14 “(10) Any information related to a medical debt  
15 of a consumer that was incurred when the consumer  
16 was a member of the Armed Forces, if the date on  
17 which such debt was placed for collection, charged to  
18 profit or loss, or subjected to any similar action  
19 antedates the report by less than 365 calendar days.  
20 This paragraph shall not be subject to section  
21 625(b)(1)(E).”.

22 (c) REQUIREMENTS FOR FURNISHERS OF MEDICAL  
23 DEBT INFORMATION WITH RESPECT TO MEMBERS OF  
24 THE ARMED FORCES.—

1           (1) ADDITIONAL NOTICE REQUIREMENTS FOR  
2 MEDICAL DEBT OF MEMBERS OF THE ARMED  
3 FORCES.—Section 623 of the Fair Credit Reporting  
4 Act (15 U.S.C. 1681s–2) is amended by adding at  
5 the end the following:

6           “(f) ADDITIONAL NOTICE REQUIREMENTS FOR MED-  
7 ICAL DEBT OF MEMBERS OF THE ARMED FORCES.—Be-  
8 fore furnishing information regarding a medical debt of  
9 a consumer that was incurred when the consumer was a  
10 member of the Armed Forces to a consumer reporting  
11 agency, the person furnishing the information shall send  
12 a statement to the consumer that includes the following:

13           “(1) A notification that the medical debt—

14           “(A) may not be included on a consumer  
15 report made by a consumer reporting agency  
16 until the later of the date that is 365 days  
17 after—

18           “(i) the date on which the person  
19 sends the statement;

20           “(ii) with respect to the medical debt  
21 of a borrower demonstrating hardship, a  
22 date determined by the Director of the Bu-  
23 reau; or

24           “(iii) the date described under section  
25 605(a)(10); and

1           “(B) may not ever be included on a con-  
2           sumer report made by a consumer reporting  
3           agency, if the medical debt arises from a medi-  
4           cally necessary procedure.

5           “(2) A notification that, if the debt is settled or  
6           paid by the consumer or an insurance company be-  
7           fore the end of the period described under paragraph  
8           (1)(A), the debt may not be reported to a consumer  
9           reporting agency.

10           “(3) A notification that the consumer may—

11                   “(A) communicate with an insurance com-  
12                   pany to determine coverage for the debt; or

13                   “(B) apply for financial assistance.”.

14           (2) FURNISHING OF MEDICAL DEBT INFORMA-  
15           TION WITH RESPECT TO MEMBERS OF THE ARMED  
16           FORCES.—Section 623 of the Fair Credit Reporting  
17           Act (15 U.S.C. 1681s–2), as amended by paragraph  
18           (1), is further amended by adding at the end the fol-  
19           lowing:

20           “(g) FURNISHING OF MEDICAL DEBT INFORMATION  
21           WITH RESPECT TO MEMBERS OF THE ARMED FORCES.—

22                   “(1) PROHIBITION ON REPORTING DEBT RE-  
23                   LATED TO MEDICALLY NECESSARY PROCEDURES.—

24           No person shall furnish any information to a con-  
25           sumer reporting agency regarding a debt arising

1 from a medically necessary procedure that occurred  
2 when the consumer was a member of the Armed  
3 Forces.

4 “(2) TREATMENT OF OTHER MEDICAL DEBT IN-  
5 FORMATION.—With respect to a medical debt of a  
6 consumer that was incurred when the consumer was  
7 a member of the Armed Forces and that is not de-  
8 scribed under paragraph (1), no person shall furnish  
9 any information to a consumer reporting agency re-  
10 garding such debt before the end of the 365-day pe-  
11 riod beginning on the later of—

12 “(A) the date on which the person sends  
13 the statement described under subsection (f) to  
14 the consumer;

15 “(B) with respect to the medical debt of a  
16 borrower demonstrating hardship, a date deter-  
17 mined by the Director of the Bureau; or

18 “(C) the date described in section  
19 605(a)(10).

20 “(3) TREATMENT OF SETTLED OR PAID MED-  
21 ICAL DEBT.—With respect to a medical debt of a  
22 consumer that was incurred when the consumer was  
23 a member of the Armed Forces and that is not de-  
24 scribed under paragraph (1), no person shall furnish  
25 any information to a consumer reporting agency re-

1        regarding such debt if the debt is settled or paid by  
2        the consumer or an insurance company before the  
3        end of the 365-day period described under para-  
4        graph (2).

5            “(4) BORROWER DEMONSTRATING HARDSHIP  
6        DEFINED.—In this subsection, and with respect to a  
7        medical debt, the term ‘borrower demonstrating  
8        hardship’ means a borrower or a class of borrowers  
9        who, as determined by the Director of the Bureau,  
10       is facing or has experienced unusual extenuating life  
11       circumstances or events that result in severe finan-  
12       cial or personal barriers such that the borrower or  
13       class of borrowers does not have the capacity to  
14       repay the medical debt.”.

15        (d) EFFECTIVE DATE.—Except as otherwise pro-  
16       vided under subsection (e), this section and the amend-  
17       ments made by this section shall take effect on the date  
18       that is 180 days after the date of enactment of this Act.

19        (e) DISCRETIONARY SURPLUS FUNDS.—

20            (1) IN GENERAL.—The dollar amount specified  
21        under section 7(a)(3)(A) of the Federal Reserve Act  
22        (12 U.S.C. 289(a)(3)(A)) is reduced by \$1,000,000.

1           (2) EFFECTIVE DATE.—The amendment made  
2           by paragraph (1) shall take effect on September 30,  
3           2031.

