

AMENDMENT TO THE RULES COMMITTEE PRINT

117-54

OFFERED BY MS. TLAIB OF MICHIGAN

Add at the end of title LIV of division E the following:

1 **SEC. 5403. 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

1 time such debt was incurred, before the end of
2 the 2-year period beginning on the date that
3 the first payment with respect to such medical
4 debt is due.”.

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

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

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

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

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

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

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

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

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

10 (C) by adding at the end the following new
11 paragraphs:

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

17 “(10) Any information related to a medical debt
18 of a consumer that was incurred when the consumer
19 was a member of the Armed Forces, if the date on
20 which such debt was placed for collection, charged to
21 profit or loss, or subjected to any similar action
22 antedates the report by less than 365 calendar days.
23 This paragraph shall not be subject to section
24 625(b)(1)(E).”.

1 (c) REQUIREMENTS FOR FURNISHERS OF MEDICAL
2 DEBT INFORMATION WITH RESPECT TO MEMBERS OF
3 THE ARMED FORCES.—

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

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

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

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

21 “(i) the date on which the person
22 sends the statement;

23 “(ii) with respect to the medical debt
24 of a borrower demonstrating hardship, a

1 date determined by the Director of the Bu-
2 reau; or

3 “(iii) the date described under section
4 605(a)(10); and

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

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

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

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

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

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

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

1 “(1) PROHIBITION ON REPORTING DEBT RE-
2 LATED TO MEDICALLY NECESSARY PROCEDURES.—
3 No person shall furnish any information to a con-
4 sumer reporting agency regarding a debt arising
5 from a medically necessary procedure that occurred
6 when the consumer was a member of the Armed
7 Forces.

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

16 “(A) the date on which the person sends
17 the statement described under subsection (f) to
18 the consumer;

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

22 “(C) the date described in section
23 605(a)(10).

24 “(3) TREATMENT OF SETTLED OR PAID MED-
25 ICAL DEBT.—With respect to a medical debt of a

1 consumer that was incurred when the consumer was
2 a member of the Armed Forces and that is not de-
3 scribed under paragraph (1), no person shall furnish
4 any information to a consumer reporting agency re-
5 garding such debt if the debt is settled or paid by
6 the consumer or an insurance company before the
7 end of the 365-day period described under para-
8 graph (2).

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

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

23 (e) DISCRETIONARY SURPLUS FUNDS.—

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

4 (2) EFFECTIVE DATE.—The amendment made
5 by paragraph (1) shall take effect on September 30,
6 2032.

