

116TH CONGRESS  
1ST SESSION

# S. 535

To enable Federal employees and contractors to correct their credit reports to remove adverse items of information reported as a result of a shut-down, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2019

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

---

## A BILL

To enable Federal employees and contractors to correct their credit reports to remove adverse items of information reported as a result of a shutdown, and for other purposes.

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 “Protect Federal Work-  
5 ers’ Credit Act”.

1 **SEC. 2. DEFINITIONS.**

2 Section 603 of the Fair Credit Reporting Act (15  
3 U.S.C. 1681a) is amended by adding at the end the fol-  
4 lowing:

5 “(bb) CONTRACTOR.—The term ‘contractor’ has the  
6 meaning given the term in section 7101 of title 41, United  
7 States Code.

8 “(cc) COVERED PERIOD.—The term ‘covered period’  
9 means—

10 “(1) the period beginning on the date on which  
11 a shutdown begins and ending on the date that is  
12 30 days after the date on which the shutdown ends;  
13 and

14 “(2) with respect to the shutdown that began  
15 on December 21, 2018, and ended on January 25,  
16 2019, the 60-day period beginning on the date of en-  
17 actment of this Act.

18 “(dd) FEDERAL WORKER.—The term ‘Federal work-  
19 er’—

20 “(1) means an employee of a Government agen-  
21 cy that had a lapse in appropriations as a result of  
22 a shutdown; and

23 “(2) includes an employee of a contractor that  
24 has a contract with a Government agency that had  
25 a lapse in appropriations as a result of a shutdown.

1       “(ee) SHUTDOWN.—The term ‘shutdown’ means any  
 2 period in which there is more than a 24-hour lapse in ap-  
 3 propriations for any Government agency or Federal de-  
 4 partment as a result of a failure to enact a regular appro-  
 5 priations bill or continuing resolution that results in a  
 6 delay or loss of payment or wages to a Federal worker.

7       “(ff) SMALL BUSINESS CONCERN.—The term ‘small  
 8 business concern’ has the meaning given the term in sec-  
 9 tion 3 of the Small Business Act (15 U.S.C. 632).”.

10 **SEC. 3. LIMITATION ON FURNISHING AN ADVERSE ITEM OF**  
 11 **INFORMATION RESULTING FROM THE SHUT-**  
 12 **DOWN.**

13       Section 623 of the Fair Credit Reporting Act (15  
 14 U.S.C. 1681s–2) is amended by adding at the end the fol-  
 15 lowing:

16       “(f) LIMITATION ON FURNISHING ADVERSE INFOR-  
 17 MATION RESULTING FROM A SHUTDOWN.—A person shall  
 18 not furnish any adverse item of information relating to  
 19 a consumer during a covered period to any consumer re-  
 20 porting agency if the person has been notified by the con-  
 21 sumer that—

22               “(1) the ability of the consumer to make an on-  
 23 time payment during the covered period has been  
 24 materially affected by a shutdown; or

1 “(2) the late or missed payment by the con-  
 2 sumer during the covered period was a result of a  
 3 shutdown.”.

4 **SEC. 4. PROHIBITION ON INCLUDING AN ADVERSE ITEM OF**  
 5 **INFORMATION IN CONSUMER REPORTS.**

6 Section 605(a) of the Fair Credit Reporting Act (15  
 7 U.S.C. 1681e(a)) is amended by adding at the end the  
 8 following:

9 “(9) An adverse item of information reported to  
 10 the consumer reporting agency relating to a con-  
 11 sumer during a covered period if—

12 “(A) the consumer is a Federal worker  
 13 listed in the database described in section  
 14 611(h)(2); or

15 “(B) the consumer has successfully re-  
 16 quested the removal of an adverse item of infor-  
 17 mation contained in the consumer’s file pursu-  
 18 ant to the process described in section  
 19 611(h)(4).”.

20 **SEC. 5. PROCESS FOR DELETING NEGATIVE INFORMATION**  
 21 **FROM CONSUMER REPORTS.**

22 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
 23 seq.) is amended—

24 (1) in section 609(c)(1)(B) (15 U.S.C.  
 25 1681g(c)(1)(B))—

1 (A) in clause (v), by striking “and” at the  
2 end;

3 (B) in clause (vi), by striking the period at  
4 the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(vi) the right of a consumer to—

7 “(I) request the deletion of ad-  
8 verse items of information under sec-  
9 tion 611(h)(4); and

10 “(II) request 2 consumer reports,  
11 without charge to the consumer,  
12 under section 611(h)(5).”; and

13 (2) in section 611 (15 U.S.C. 1681i)—

14 (A) in subsection (a)(1)(A), by inserting  
15 “and subsection (h)” before “, if the complete-  
16 ness”; and

17 (B) by adding at the end the following:

18 “(h) DELETION OF ADVERSE ITEMS OF INFORMA-  
19 TION RESULTING FROM A SHUTDOWN.—

20 “(1) REQUIREMENT TO PROVIDE LIST OF IM-  
21 PACTED FEDERAL WORKERS.—

22 “(A) RECENT SHUTDOWN.—Not later than  
23 30 days after the date of enactment of this sub-  
24 section—

1           “(i) each Government agency for  
2           which there was a lapse in appropriations  
3           during the shutdown that ended on Janu-  
4           ary 25, 2019, shall provide to the Bureau  
5           a list of each Federal worker who was fur-  
6           loughed or required to work without pay  
7           for any period of time during a shutdown;  
8           and

9           “(ii) each Federal contractor impacted  
10          by the shutdown that ended on January  
11          25, 2019, shall provide to the Bureau a list  
12          of each employee whose pay was reduced  
13          or delayed as a result of a shutdown.

14          “(B) SUBSEQUENT SHUTDOWNS.—With  
15          respect to a shutdown beginning after January  
16          25, 2019, not later than 3 days after the date  
17          on which the shutdown ends—

18               “(i) each Government agency for  
19               which there was a lapse in appropriations  
20               shall provide to the Bureau a list of each  
21               Federal worker who was furloughed or re-  
22               quired to work without pay for any period  
23               of time during the shutdown; and

24               “(ii) each Federal contractor impacted  
25               by the shutdown shall provide to the Bu-

1           reau a list of each employee whose pay was  
 2           reduced or delayed as a result of the shut-  
 3           down.

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

6                   “(A) is accessible to consumer reporting  
 7           agencies described in section 603(p) and nation-  
 8           wide specialty consumer reporting agencies to  
 9           check and automatically delete any adverse item  
 10          of information reported during a covered period  
 11          with respect to a Federal worker under para-  
 12          graph (3); and

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

15          “(3) DELETION OF ADVERSE ITEMS OF INFOR-  
 16          MATION BY NATIONWIDE CONSUMER REPORTING  
 17          AND NATIONWIDE SPECIALTY CONSUMER REPORT-  
 18          ING AGENCIES.—

19                   “(A) IN GENERAL.—Each consumer re-  
 20          porting agency described in section 603(p) and  
 21          each nationwide specialty consumer reporting  
 22          agency shall, using the information contained in  
 23          the database established under paragraph (2),  
 24          delete from the file of each Federal worker  
 25          named in the database each adverse item of in-

1           formation reported to the agency during the  
2           covered period.

3           “(B) **TIMELINE.**—Each agency described  
4           in subparagraph (A) shall—

5                   “(i) delete adverse items of informa-  
6                   tion as soon as practicable after informa-  
7                   tion that is reported under paragraph (1)  
8                   appears in the database established under  
9                   paragraph (2); and

10                   “(ii) not later than the date that is 3  
11                   days after the end of a covered period, de-  
12                   lete any remaining adverse items of infor-  
13                   mation that were reported between the  
14                   date on which adverse items of information  
15                   were deleted under clause (i) and the end  
16                   of the covered period.

17           “(4) **REQUEST FOR DELETION OF ADVERSE**  
18           **ITEMS OF INFORMATION.**—

19                   “(A) **IN GENERAL.**—A consumer who is an  
20                   employee or owner of a small business concern  
21                   and who was materially affected by a shutdown  
22                   may submit a request, without charge to the  
23                   consumer, to a consumer reporting agency to  
24                   delete from the consumer’s file an adverse item



1 of information reported to the consumer report-  
2 ing agency during the covered period.

3 “(B) TIMING.—A consumer may submit a  
4 request under subparagraph (A)—

5 “(i) with respect to the shutdown that  
6 ended on January 25, 2019, not later than  
7 90 days after the date of enactment of this  
8 subsection; and

9 “(ii) with respect to a shutdown be-  
10 ginning after January 25, 2019, not later  
11 than 90 days after the date on which the  
12 shutdown ends.

13 “(C) REMOVAL AND NOTIFICATION.—Upon  
14 receiving a request under this paragraph to de-  
15 lete an adverse item of information, a consumer  
16 reporting agency shall—

17 “(i) delete the adverse item of infor-  
18 mation from the consumer’s file if the con-  
19 sumer provides documentation to the con-  
20 sumer reporting agency that the consumer  
21 is—

22 “(I) a Federal worker whose pay  
23 was delayed or reduced during the  
24 covered period; or

1 “(II) an employee or owner of a  
2 small business concern who was mate-  
3 rially affected by a shutdown; and

4 “(ii) notify the consumer and the fur-  
5 nisher of the adverse item of information  
6 of the deletion.

7 “(5) FREE CREDIT REPORTS.—

8 “(A) IN GENERAL.—A consumer reporting  
9 agency shall make all disclosures pursuant to  
10 section 609 twice during the 12-month period  
11 following the end of a shutdown upon request  
12 by a consumer impacted by the shutdown and  
13 without charge to the consumer—

14 “(i) with respect to the shutdown that  
15 ended on January 25, 2019, if the con-  
16 sumer makes a request within 180 days  
17 after the date of enactment of this sub-  
18 section; and

19 “(ii) with respect to a shutdown be-  
20 ginning after January 25, 2019, if the con-  
21 sumer makes a request within 180 days  
22 after the date on which the shutdown ends.

23 “(B) TIMING.—A consumer reporting  
24 agency shall provide a consumer report under  
25 subparagraph (A) not later than 15 days after

1 the date on which the request is received under  
2 subparagraph (A).

3 “(C) ADDITIONAL REPORTS.—A consumer  
4 report provided under subparagraph (A) shall  
5 be in addition to any report requested by the  
6 consumer under section 612(a).

7 “(D) PROHIBITION.—A consumer report-  
8 ing agency that receives a request under sub-  
9 paragraph (A) may not request or require any  
10 documentation from the consumer that dem-  
11 onstrates that the consumer was impacted by a  
12 shutdown as a condition of receiving the con-  
13 sumer report.

14 “(6) POSTING OF RIGHTS.—Not later than 30  
15 days after the date of enactment of this Act, and im-  
16 mediately after the beginning of a shutdown, each  
17 consumer reporting agency shall prominently post  
18 and maintain a direct link on the homepage of the  
19 public website of the consumer reporting agency in-  
20 formation relating to the right of consumers to—

21 “(A) request the deletion of adverse items  
22 of information under paragraph (4); and

23 “(B) request 2 consumer reports, without  
24 charge to the consumer, under paragraph (5).”.

○