

116TH CONGRESS
1ST SESSION

H. R. 1286

To prohibit consumer credit reporting agencies and lenders from taking adverse action against federal employees and contractors impacted by the government shutdown, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2019

Mr. SHERMAN (for himself, Ms. NORTON, Mr. MCGOVERN, Mr. KILMER, and Mr. ROUDA) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To prohibit consumer credit reporting agencies and lenders from taking adverse action against federal employees and contractors impacted by the government 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 “Federal Employee
5 Credit Score Protection Act of 2019”.

1 **SEC. 2. PROHIBITION ON LOWERING THE CREDIT SCORES**
2 **OF COVERED INDIVIDUALS.**

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

6 **“§ 630. Prohibitions relating to credit scores during a**
7 **shutdown**

8 “(a) IN GENERAL.—Subject to subsection (b), a cov-
9 ered entity may not lower the credit score of a covered
10 individual who fails to pay any qualified expense or obliga-
11 tion during the period beginning on the first day of a shut-
12 down and ending on the date that is 60 days after the
13 date on which the shutdown ends, if the covered individual
14 pays the qualified expense or obligation within such pe-
15 riod.

16 “(b) REQUIREMENTS AND PROCEDURES.—

17 “(1) IDENTIFICATION.—A covered entity shall,
18 to the extent practicable, identify covered individuals
19 eligible under subsection (a).

20 “(2) ASSISTANCE FROM THE OFFICE OF PER-
21 SONNEL MANAGEMENT.—The Director of the Office
22 of Personnel Management shall, to the extent prac-
23 ticable, assist covered entities in identifying covered
24 individuals.

25 “(3) NOTIFICATION BY INDIVIDUALS.—Not
26 later than 1 year after the date that is 60 days after

1 the date on which a shutdown ends, a covered indi-
2 vidual may notify a covered entity that the covered
3 entity may not lower the credit score of the covered
4 individual pursuant to subsection (a), and if such
5 credit score has been lowered, such covered indi-
6 vidual may seek a reversal of that action.

7 “(c) NOTIFICATION BY ENTITIES.—A covered entity
8 shall notify the public—

9 “(1) of the requirement described under sub-
10 section (a); and

11 “(2) how a covered individual may—

12 “(A) inform the entity of the eligibility of
13 the individual under subsection (a); and

14 “(B) submit such reasonable materials
15 deemed necessary to confirm such eligibility.

16 “(d) DUTIES OF CONSUMER REPORTING AGEN-
17 CIES.—A consumer reporting agency that receives a cred-
18 ible notification that a covered individual is eligible under
19 subsection (a) shall—

20 “(1) notify covered entities of the eligibility of
21 such covered individual;

22 “(2) to the extent practicable, inform other con-
23 sumer reporting agencies of the eligibility of such
24 covered individual; and

1 “(3) in the event the credit score of a covered
2 individual was lowered prior to receipt of such cred-
3 ible notification, take all necessary measures to re-
4 verse that action and restore the credit score of the
5 covered individual such that it reflects the credit
6 score such covered individual would have received
7 absent the consideration of the nonpayment of a
8 qualified expense or obligation.

9 “(e) ENFORCEMENT.—Upon petition by a covered in-
10 dividual, the Bureau may—

11 “(1) require a covered entity to make appro-
12 priate adjustments to the credit score of the covered
13 individual; and

14 “(2) issue a fine or take another enforcement
15 action, as determined by the Bureau.

16 “(f) DEFINITIONS.—In this section:

17 “(1) COVERED ENTITY.—The term ‘covered en-
18 tity’ means an entity that develops a credit score.

19 “(2) COVERED INDIVIDUAL.—The term ‘cov-
20 ered individual’ means—

21 “(A) an employee of the Federal Govern-
22 ment who is furloughed or excepted from fur-
23 lough during the shutdown;

1 “(B) a Federal contractor who, during any
2 lapse in Federal appropriations, is not receiving
3 pay by reason of such lapse; and

4 “(C) a spouse of an individual described
5 under subparagraph (A) or (B).

6 “(3) CREDIT SCORE.—The term ‘credit score’
7 has the meaning given in section 609(f)(2).

8 “(4) QUALIFIED EXPENSE OR OBLIGATION.—
9 The term ‘qualified expense or obligation’ means any
10 payment, including a partial payment, of a covered
11 individual relating to a mortgage loan, rent, credit
12 cards, medical expenses, automobile purchases or
13 leases, student loans, insurance premiums, utilities,
14 and other recurring payments or expenses ordinarily
15 incurred by such covered individual (as determined
16 by the Bureau).

17 “(5) SHUTDOWN.—The term ‘shutdown’ means
18 the period of a lapse in appropriations beginning on
19 or after December 22, 2018, and that ends before
20 October 1, 2019.

21 **“§ 631. Prohibition on adverse lending determina-**
22 **tions for covered individuals**

23 “(a) PROHIBITION.—A creditor (as defined in section
24 103 of the Truth in Lending Act) may not knowingly deny
25 credit, or knowingly provide credit on less favorable terms

1 than would otherwise be provided, to a covered individual
 2 who fails to pay any qualified expense or obligation during
 3 the period beginning on the first day of a shutdown and
 4 ending on the date that is 60 days after the date on which
 5 the shutdown ends, if the covered individual pays the
 6 qualified expense or obligation within such period.

7 “(b) ENFORCEMENT.—The Bureau may issue a fine
 8 or take another enforcement action, as determined by the
 9 Bureau, against a creditor that violates subsection (a) if
 10 the Bureau determines by a preponderance of the evidence
 11 that the fact that the covered individual failed to pay a
 12 qualified expense while not receiving pay by reason of a
 13 lapse in Federal appropriations, or during the 60-day pe-
 14 riod immediately following such lapse in Federal appro-
 15 priations, was a substantial factor in the action taken by
 16 the creditor that violated subsection (a).

17 “(c) DEFINITIONS.—The terms ‘covered individual’,
 18 ‘qualified expense or obligation’, and ‘shutdown’ have the
 19 meanings given those terms, respectively, in section 631.”.

20 (b) TABLE OF CONTENTS AMENDMENT.—The table
 21 of contents of the Fair Credit Reporting Act is amended
 22 by adding at the end the following new items:

“630. Prohibitions relating to credit scores during a shutdown.

“631. Prohibition on adverse lending determinations for covered individuals.”.

