

115TH CONGRESS  
1ST SESSION

# S. 744

To amend the Fair Credit Reporting Act to delay the inclusion in consumer credit reports and to establish requirements for debt collectors with respect to medical debt information of veterans due to inappropriate or delayed billing payments or reimbursements from the Department of Veterans Affairs, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 28, 2017

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

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## A BILL

To amend the Fair Credit Reporting Act to delay the inclusion in consumer credit reports and to establish requirements for debt collectors with respect to medical debt information of veterans due to inappropriate or delayed billing payments or reimbursements from the Department of Veterans Affairs, 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 “Protecting Veterans  
5 Credit Act of 2017”.

1 **SEC. 2. PURPOSE.**

2 The purposes of this Act are—

- 3 (1) to rectify problematic reporting of medical  
4 debt included in a consumer report of a veteran due  
5 to inappropriate or delayed payment for hospital  
6 care or medical services provided in a non-Depart-  
7 ment of Veterans Affairs facility under the laws ad-  
8 ministered by the Secretary of Veterans Affairs; and  
9 (2) to clarify the process of debt collection for  
10 such medical debt.

11 **SEC. 3. AMENDMENTS TO FAIR CREDIT REPORTING ACT.**

12 (a) VETERAN’S MEDICAL DEBT DEFINED.—Section  
13 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)  
14 is amended by adding at the end the following:

15 “(z) VETERAN.—The term ‘veteran’ has the meaning  
16 given the term in section 101 of title 38, United States  
17 Code.

18 “(aa) VETERAN’S MEDICAL DEBT.—The term ‘vet-  
19 eran’s medical debt’—

20 “(1) means a debt of a veteran arising from  
21 health care provided in a non-Department of Vet-  
22 erans Affairs facility under the laws administered by  
23 the Secretary of Veterans Affairs; and

24 “(2) includes medical debt that the Department  
25 of Veterans Affairs has wrongfully charged a vet-  
26 eran.”.

1 (b) EXCLUSION FOR VETERAN’S MEDICAL DEBT.—  
 2 Section 605(a) of the Fair Credit Reporting Act (15  
 3 U.S.C. 1681c) is amended by adding at the end the fol-  
 4 lowing:

5 “(7) Any information related to a veteran’s  
 6 medical debt if the date on which the hospital care  
 7 or medical services was rendered relating to the debt  
 8 antedates the report by less than 1 year.

9 “(8) Any information related to a fully paid or  
 10 settled veteran’s medical debt that had been charac-  
 11 terized as delinquent, charged off, or in collection.”.

12 (c) REMOVAL OF VETERAN’S MEDICAL DEBT FROM  
 13 CONSUMER REPORT.—Section 611 of the Fair Credit Re-  
 14 porting Act (15 U.S.C. 1681i) is amended—

15 (1) in subsection (a)(1)(A), by inserting “and  
 16 except as provided in subsection (g)” after “sub-  
 17 section (f)”; and

18 (2) by adding at the end the following:

19 “(g) DISPUTE PROCESS FOR VETERAN’S MEDICAL  
 20 DEBT.—

21 “(1) IN GENERAL.—With respect to a veteran’s  
 22 medical debt of a consumer, the consumer may sub-  
 23 mit a notice along with proof of liability of the De-  
 24 partment of Veterans Affairs for payment of that  
 25 debt or documentation that the Department of Vet-

1        erans Affairs is in the process of making payment  
 2        for authorized medical services rendered to a con-  
 3        sumer reporting agency or a reseller to dispute the  
 4        inclusion of that debt on a consumer report of the  
 5        consumer.

6            “(2) NOTIFICATION TO VETERAN.—The De-  
 7        partment of Veterans Affairs shall submit to a vet-  
 8        eran a notice that the Department of Veterans Af-  
 9        fairs has assumed liability for part or all of a vet-  
 10      eran’s medical debt.

11           “(3) DELETION OF INFORMATION FROM  
 12      FILE.—If a notice and proof of liability or docu-  
 13      mentation is received under paragraph (1), the con-  
 14      sumer reporting agency shall delete all information  
 15      relating to the veteran’s medical debt from the file  
 16      of the consumer and notify the furnisher and the  
 17      consumer of that deletion.”.

18    **SEC. 4. EFFECTIVE DATE.**

19        The amendments made by this Act shall take effect  
 20      on the date that is 90 days after the date of enactment  
 21      of this Act.

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