



Bureau of Consumer Financial Protection
1700 G Street NW
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Statement on Supervisory and Enforcement Practices Regarding the Fair Credit Reporting Act and Regulation V in Light of the CARES Act

The Bureau of Consumer Financial Protection (Bureau) recognizes the serious impact the COVID-19 pandemic is having on the financial well-being of many consumers and on the operations of many supervised entities, including actors in the consumer reporting system, and the challenges of this unique and rapidly evolving situation. Last Friday, on March 27, the President signed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), which provides critical emergency assistance to consumers and businesses affected by COVID-19 and includes provisions addressing consumer reporting requirements.

Consumer report information is critical to consumers and industry in determining who obtains credit, insurance, and housing, and at what price, and who obtains employment in many cases. Consumer reporting has enormous reach, as evidenced by the over 200 million consumers in the United States who have credit files and trade lines furnished by over 10,000 providers. The continued operation of the consumer reporting system will play a critical role in the functioning of the consumer financial services market, promoting fair and efficient access to credit and benefiting consumers and creditors alike. The Bureau understands that the current crisis impacts the financial well-being of consumers and poses operational challenges for consumer reporting agencies and furnishers, including staffing challenges, that could temporarily impede their ability to timely comply with their statutory and regulatory consumer reporting obligations.

The Bureau is therefore issuing this policy statement (Policy Statement) to highlight furnishers’ responsibilities under the CARES Act and inform consumer reporting agencies and furnishers of the Bureau’s flexible supervisory and enforcement approach during this pandemic regarding compliance with the Fair Credit Reporting Act (FCRA) and Regulation V. The Bureau intends to consider the circumstances that entities face as a result of the COVID-19 pandemic and entities’ good faith efforts to comply with their statutory and regulatory obligations as soon as possible. The Bureau believes that this flexibility will help furnishers and consumer reporting agencies to manage the challenges the current crisis poses. It also will enable consumers, as well as lenders,

insurers, employers and other consumer report users, to maintain confidence in the consumer reporting system.

Below are examples of the flexibility the Bureau intends to provide in the consumer reporting system.

Furnishing Consumer Information Impacted by COVID-19: The Bureau reiterates its prior [guidance](#) encouraging financial institutions to work constructively with borrowers and other customers affected by COVID-19 to meet their financial needs. While companies generally are not legally obligated to furnish information to consumer reporting agencies, the Bureau encourages them to continue furnishing information despite the current crisis. Furnishers' providing accurate information to consumer reporting agencies produces substantial benefits for consumers, users of consumer reports, and the economy as a whole.

The CARES Act, a section of which amends the FCRA, generally requires furnishers to report as current certain credit obligations for which furnishers make payment accommodations to consumers affected by COVID-19 who have sought such accommodations from their lenders.¹ The Bureau expects furnishers to comply with the CARES Act and will work with furnishers as needed to help them do so.

Many furnishers are or will be offering consumers affected by COVID-19 various forms of payment flexibility, including allowing consumers to defer or skip payments, as required by the CARES Act or voluntarily. Such payment accommodations will avoid the reporting of delinquencies resulting from the effects of COVID-19. The Bureau supports furnishers' voluntary efforts to provide payment relief, and it does not intend to cite in examinations or take enforcement actions against those who furnish information to consumer reporting agencies that accurately reflects the payment relief measures they are employing.

Disputes: The FCRA generally requires that consumer reporting agencies and furnishers investigate disputes within 30 days of receipt of the consumer's dispute. The 30-day period may be extended to 45 days if the consumer provides additional information that is relevant to the investigation during the 30-day period.

The Bureau is aware that some consumer reporting agencies and furnishers may face significant operational disruptions that pose challenges for them in investigating consumer disputes. For example, some consumer reporting agencies and furnishers may experience significant reductions in staff, difficulty intaking disputes, or lack of access to necessary information,

¹ Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, § 4201 (2020) (stating that, with certain exceptions, "if a furnisher makes an accommodation with respect to 1 or more payments on a credit obligation or account of a consumer, and the consumer makes the payments or is not required to make 1 or more payments pursuant to the accommodation, the furnisher shall—(I) report the credit obligation or account as current; or (II) if the credit obligation or account was delinquent before the accommodation—(aa) maintain the delinquent status during the period in which the accommodation is in effect; and (bb) if the consumer brings the credit obligation or account current during the period described in item (aa), report the credit obligation or account as current"). In addition, section 3513 of the CARES Act addresses the furnishing of certain student loans for which payments are suspended.

rendering them unable to investigate consumer reporting disputes within the timeframes the FCRA requires. Furnishers include a wide variety of businesses that vary in size and sophistication and can range from small retailers to very large financial services firms, each of which will face unique challenges due to the COVID-19 pandemic. In evaluating compliance with the FCRA as a result of the pandemic, the Bureau will consider a consumer reporting agency's or furnisher's individual circumstances and does not intend to cite in an examination or bring an enforcement action against a consumer reporting agency or furnisher making good faith efforts to investigate disputes as quickly as possible, even if dispute investigations take longer than the statutory timeframe.

The Bureau reminds furnishers and consumer reporting agencies that they may take advantage of statutory and regulatory provisions that eliminate the obligation to investigate disputes submitted by credit repair organizations and disputes they reasonably determine to be frivolous or irrelevant. The Bureau will consider the significant current constraints on furnisher and consumer reporting agency time, information, and other resources in assessing if such a determination is reasonable.

Regulatory Requirements

This Policy Statement is a non-binding general statement of policy articulating considerations relevant to the Bureau's exercise of its supervisory and enforcement authorities. It is therefore exempt from the notice and comment rulemaking requirements under the Administrative Procedure Act pursuant to 5 USC 553(b). Because no notice of proposed rulemaking is required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis. See 5 USC 603(a), 604(a). The Bureau has determined that this Policy Statement does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring OMB approval under the Paperwork Reduction Act, 44 USC 3501–3521.

Resources for consumers facing the impacts of the COVID-19 pandemic are available on the Bureau's website at <https://www.consumerfinance.gov/coronavirus/>.