

Fair Credit Reporting Act and Your Credit Report

The material in this handout represents general legal principles. Since the law is continuously changing, some provisions in this pamphlet may change with time. If further assistance is required, consult with an attorney about your legal rights and responsibilities regarding your particular situation.

The Federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). The text of the FCRA can be found at 15 U.S.C. §1681 et seq. The FCRA gives consumers specific rights, as outlined below. Consumers may have additional rights under state law. Some of the FCRA rights include:

You must be told if information in your file has been used against you.

Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.

You can find out what is in your file.

You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

- a person has taken adverse action against you because of information in your credit report;
- you are the victim of identity theft and place a fraud alert in your file;
- your file contains inaccurate information as a result of fraud;
- you are on public assistance;
- you are unemployed but expect to apply for employment within 60 days.

In addition, starting September 2005 all consumers will be entitled to one free disclosure every 12 months, upon request, from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.ftc.gov/credit for additional information.

You can dispute inaccurate information with the CRA.

If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.ftc.gov/credit for an explanation of dispute procedures.

Inaccurate information must be corrected or deleted.

Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

Outdated information may not be reported.

In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies more than 10 years old.

Access to your file is limited.

A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.

Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).

How long can a CRA report Unfavorable Information?

Generally, seven years. Adverse information cannot be reported after that, with certain exceptions:

- (1) Bankruptcy information for 10 years;
- (2) Information reported because of an application for a job with a salary of more than \$75,000 has no time limitation;
- (3) Information reported because of an application for more than \$150,000 worth of credit or life insurance has no time limitation; and
- (4) Information concerning a lawsuit or a judgment against you can be reported for seven years or until the statute of limitations runs out, whichever is longer.
- (5) Information regarding criminal convictions may be reported without any time limitation.

You may seek damages from violators.

If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court. The FCRA gives several different federal agencies authority to enforce the FCRA. For questions regarding credit reporting agencies, credit reports, and the FCRA, contact the Federal Trade Commission, Consumer Response Center - FCRA, Washington, DC 20580, or phone 1-877-382-4357 or call the Offutt Law Center at 294-3733.

How to obtain a copy of your credit report:

To receive a copy of your credit report, call or go on the Web to contact the three national credit bureaus:

Equifax

1-800-685-1111

<http://www.equifax.com>

TransUnion

1-800-916-8800

<http://www.transunion.com>

Experian

1-888-397-3742

<http://www.experian.com>

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