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June 24, 2020

The Honorable Nancy Pelosi
Speaker
House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy,

On behalf of America's credit unions, I am writing regarding H.R. 5332, the Protecting Your Credit Score Act of 2019. The Credit Union National Association (CUNA) represents America's credit unions and their 115 million members.

Accurate and complete credit reports are essential to credit unions providing safe and affordable financial services to their members. Whereas credit unions' field of membership restrictions were originally designed as a mechanism for determining borrowers' credit worthiness, today credit unions and other financial institutions rely on credit reports and credit scores to assess credit worthiness and inform lending decisions. It is in the interest of all stakeholders in the lending process for borrowers' credit reports to be accurate and complete.

H.R. 5332 would require credit reporting agencies to create an online portal for consumers to access free credit reports and credit scores, and dispute errors. It would also direct the Consumer Financial Protection Bureau (CFPB) to impose and enforce data security safeguards for the credit reporting agencies.

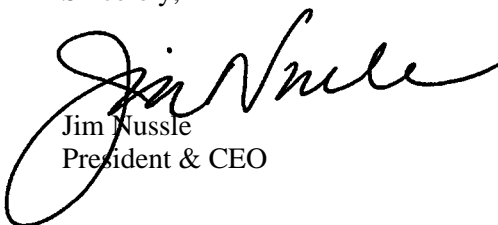
While the legislation may be well-intentioned, we oppose H.R. 5332 because the expansion of private rights of action and allowing courts to award injunctive relief could increase the frequency of meritless lawsuits under the Federal Credit Reporting Act (FCRA). When entities are subject to frivolous litigation, resources are distracted from providing services, increasing the cost of service to all consumers. In the case of credit unions, frivolous litigation means that access to safe and affordable financial services becomes more expensive and potentially less available for credit union members.

We also have concerns that the online portal mandated under this legislation would pose significant cybersecurity risks for consumers, financial institutions, and companies. The portal created would have no direct owner and require its own authentication and security, leading to the possibility of consumers either being rejected from the portal or a nefarious actor abusing the system.

Finally, we question the need for this legislation. Under the FCRA, consumers can dispute the accurateness of information on their credit reports. They can either raise the dispute directly with the credit reporting agency or with their creditor. The FCRA requires these disputes to be resolved in a timely manner and, if the disputed information is incorrect, the information in question is eliminated from the report. As such, consumers already have significant tools to dispute information and correct errors in their credit reports.

On behalf of America's credit unions, thank you for the opportunity to share our views.

Sincerely,



Jim Nussle
President & CEO