



Jim Nussle
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The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

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

Speaker Pelosi and Leader McCarthy,

On behalf of America's credit unions, I am writing in opposition to H.R. 2547, the Comprehensive Debt Collection Improvement Act, which is scheduled to be voted upon this week. CUNA represents America's credit unions and their 120 million members.

Section 403 of this legislation would amend the Fair Credit Reporting Act (FCRA) to prohibit credit scoring models from treating certain medical debt information on consumers' credit report as a negative factor.

Lenders rely on complete and accurate credit reports when underwriting loans. Restrictions on the reporting or consideration of certain debt prevents lenders from seeing borrowers' complete debt circumstances and clouds lenders' ability to fairly assess borrowers' creditworthiness. An incomplete view of borrowers' credit history reduces lender confidence in credit reports and scores, impacting pricing decisions and credit availability. The borrowers most impacted by the consequences of this provision will be low- and moderate-income borrowers whose financial well-being could benefit the most from access to affordable credit from a credit union.

Further, we are concerned about the precedent that a provision like this sets. Today, it's medical debt; tomorrow, it could be student debt; in a decade, will Congress prohibit the reporting of home mortgage debt? This could represent the first step on a slippery slope that could fundamentally damage credit underwriting, making it harder for lenders to make safe and sound credit decisions.

Borrowers and lenders alike benefit from a credit reporting system that produces an accurate and complete record of a borrower's credit situation. This provision undermines consumers' financial well-being and jeopardizes the ability of lenders to make safe and sound underwriting decisions.

As such, CUNA has significant concern with H.R. 2547, the Comprehensive Debt Collection Improvement Act, and urges Members to oppose this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle", is written over a printed name and title.

Jim Nussle
President & CEO