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HOUSE FILE 370

COMMERCE, REGULATION & LABOR

BY MASCHER and LENSING

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
 Approved \_\_\_\_\_

**A BILL FOR**

1 An Act requiring credit reporting agencies to provide credit  
 2 reports to consumers annually without charge.  
 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 370

1 Section 1. NEW SECTION. 537.3213 DISCLOSURE OF CREDIT  
2 REPORT.

3 1. A credit reporting agency shall, upon written or verbal  
4 request by and proper identification of a consumer, clearly,  
5 accurately, and in a manner that is understandable to the  
6 consumer, provide a credit report to the consumer disclosing,  
7 in writing, all information in the agency's files pertaining  
8 to the consumer at the time of the request, including but not  
9 limited to all of the following:

10 a. The names of all persons requesting credit information  
11 pertaining to the consumer during the prior twelve-month  
12 period and the date of each request.

13 b. A set of instructions, presented in a manner that is  
14 understandable to the consumer, describing how information is  
15 presented on the agency's written disclosure of the file.

16 c. A toll-free telephone number for use in contacting the  
17 credit reporting agency if the consumer has questions or  
18 disputes information contained in the credit report.

19 2. A credit reporting agency shall, upon request of a  
20 consumer, provide the consumer with one disclosure copy of the  
21 consumer's credit report each calendar year at no charge. If  
22 the consumer requests more than one copy of the consumer's  
23 file per year pursuant to this section, the credit reporting  
24 agency may charge the consumer up to eight dollars for each  
25 additional disclosure copy of the consumer's credit report.

26 3. For purposes of this section:

27 a. "Consumer" means a person residing in the state of  
28 Iowa.

29 b. "Credit report" means a written, oral, or other  
30 communication or information held by a credit reporting agency  
31 relating to a consumer's creditworthiness, credit standing,  
32 credit capacity, debts, character, general reputation,  
33 personal characteristics, or mode of living, which is used or  
34 expected to be used or collected, in whole or in part, as a  
35 factor to establish a consumer's eligibility for credit or

1 insurance to be used for personal, family, or household  
2 purposes, employment purposes, or any other purpose authorized  
3 pursuant to applicable provisions of the federal Fair Credit  
4 Reporting Act, 15 U.S.C. §§ 1681a and 1681b.

5 "Credit report" does not include a report containing  
6 information solely relating to a transaction between the  
7 consumer and the person making the report, an authorization or  
8 approval of a specific extension of credit directly or  
9 indirectly by the issuer of a credit card or similar device,  
10 or a report in which a person who has been requested by a  
11 third party to make a specific extension of credit directly or  
12 indirectly to a consumer conveys a decision with respect to  
13 the request, if the third party advises the consumer of the  
14 name and address of the person to whom the request was made  
15 and the person makes the disclosures that must be made to the  
16 consumer pursuant to the provisions of the federal Fair Credit  
17 Reporting Act, 15 U.S.C. § 1681m, in the event of adverse  
18 action.

19 c. "Credit reporting agency" means a person that, for  
20 monetary fees, dues, or on a cooperative nonprofit basis,  
21 regularly engages in whole or in part in the practice of  
22 assembling or evaluating consumer credit information or other  
23 information regarding consumers for the purpose of furnishing  
24 credit reports to third parties. "Credit reporting agency"  
25 does not include a business entity that provides only check  
26 verification or check guarantee services.

27 **EXPLANATION**

28 This bill creates a new Code section in the Iowa consumer  
29 credit code that requires credit reporting agencies to provide  
30 a consumer with one copy of the consumer's credit report per  
31 year at no cost to the consumer upon the written or verbal  
32 request and proper identification of the consumer.

33 For the purposes of the bill, "consumer" is defined as a  
34 person residing in Iowa and "credit report" is defined as a  
35 written, oral, or other communication or information held by a

1 credit reporting agency relating to a consumer's  
2 creditworthiness, credit standing, credit capacity, debts,  
3 character, general reputation, personal characteristics, or  
4 mode of living that is used or collected as a factor to  
5 establish a consumer's eligibility for credit or insurance to  
6 be used for personal, family, or household purposes,  
7 employment purposes, or any other purpose authorized by the  
8 federal Fair Credit Reporting Act. For the purposes of the  
9 bill, a "credit reporting agency" is a person that for  
10 monetary fees, dues, or on a cooperative nonprofit basis  
11 regularly engages in assembling or evaluating consumer credit  
12 information or other information for the purpose of furnishing  
13 credit reports to third parties.

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