

WASHINGTON- The Fair and Accurate Credit Transaction Act of 2003 (H.R. 2622), introduced by Congressman Spencer Bachus, was called “a critical act of legislation” at a press conference held by The Financial Services Roundtable in support of the bill. Also attending the press conference and supporting the legislation that would renew the Fair Credit Reporting Act (FCRA) and strengthen it, were Senators Mike Crapo (R-ID) and Tom Carper (D-DE). The legislation passed the Financial Services Subcommittee on Financial Institutions and Consumer Credit today by a vote of 41-0. The bi-partisan support for this legislation boasts 32 co-sponsors in the House Financial Services Committee, of which approximately half are Democrats.

H.R. 2622 would renew the national credit reporting system, which is set to expire at the end of the year. Any disruption in this important national system will hurt consumers, especially those who fall into the low to middle-income bracket. Failing to renew the national credit reporting system will result in higher costs to consumers for interest on mortgages, credit cards, and other debt. It will negatively impact credit access, and raise costs for insurance. New home construction and refinancing would also be reduced.

The Fair and Accurate Credit Transaction Act will ensure that lower and middle-income families have access to credit. It also contains important new consumer protection. Congressman Bachus explained, “Consumers will be able to get a free credit report once a year from every credit bureau. Also included in the bill is a provision to provide credit scores, an explanation of how those score are calculated, and helpful information on how to improve those scores.”