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ATTORNEY GENERAL RAOUL CALLS ON CFPB TO PROTECT CONSUMERS' CREDIT DURING COVID-19 PANDEMIC

Chicago — Attorney General Kwame Raoul joined a coalition of 23 attorneys general to urge the Consumer Financial Protection Bureau (CFPB) to enforce the Coronavirus Aid, Relief and Economic Security (CARES) Act and require credit reporting agencies to follow the Fair Credit Reporting Act (FCRA) during the COVID-19 crisis.

Raoul and the coalition [issued a letter](#) this week to the CFPB following its recent announcement that the agency would not enforce the FCRA, potentially leaving consumers at the mercy of credit agencies at a critical time. Raoul and the attorneys general are urging the CFPB to reverse its decision in order to protect consumers during the crisis and ensure they are better able to participate in an economic recovery.

"As people across the country are concerned with protecting themselves and their families from the coronavirus, many residents also are facing unprecedented financial hardships and economic uncertainty," Raoul said. "Right now, residents and businesses need more protections through the CFPB, not less. I urge the CFPB to enforce critical protections that will better support states' economic recoveries when we are clear of this public health crisis.

In the letter, Raoul and the coalition point out that the impact of the COVID-19 outbreak extends beyond Americans' health and wellness. The attorneys general highlight the significant economic disruption caused by the pandemic, pointing to nationwide business closures and millions of workers who have filed claims for unemployment compensation. Raoul and the coalition state that a faster economic recovery following the crisis will depend upon ensuring that consumers are fully equipped to reenter the market. According to Raoul and the coalition, it is crucial that the CFPB act to protect consumers' credit during this crisis, as status of consumers' credit reports will be essential to ensuring their strong participation in the economy when the public health emergency ends.

Earlier this month, the CFPB announced it would not enforce the CARES Act's amendment to the FCRA that requires lenders to report as current any loans that are affected by a COVID-19-related forbearance or accommodation. In addition, the CFPB announced it would not take action against consumer reporting agencies that violate the FCRA's 30-day deadline for investigating consumer disputes.

Raoul and the coalition are urging the CFPB to reverse its decision, arguing that:

- Not enforcing the CARES Act's requirements could discourage consumers from taking advantage of the accommodations that lenders are required to offer under the CARES Act or those that they are offering voluntarily.
- Not requiring consumer reporting agencies and lenders to investigate consumer disputes within 30 days puts consumers at risk. It is critical that consumers are protected from inaccurate information appearing on their credit reports, which could prevent them from renting or buying a home, purchasing a new car or opening a credit card account.
- Consumer reporting agencies and lenders must be vigilant about accurately reporting consumer credit, which can only be done by following the requirements established by the FCRA as amended by the CARES Act.

Joining Raoul in sending the letter are the attorneys general of California, Colorado, the District of Columbia, Hawaii, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virginia, Washington and Wisconsin.