



FORT SILL LEGAL ASSISTANCE

2015 Credit Reporting Settlement



How does this affect me?

On March 8, 2015, the New York Attorney General and the three credit reporting agencies (CRAs) made an agreement in order to provide more transparency and protection to consumers. The CRAs will implement certain reforms on a rolling basis, with all reforms coming into place by a final deadline of June 6, 2018.

Disputes

In general, the CRAs must now investigate disputes more thoroughly, and provide more transparency to consumers. CRAs now must share information with each other, including death notices and "mixed file" disputes. "Mixed file" disputes are when two or more consumer's credit items get mixed up into one account.

After a dispute, the CRAs must provide certain notices, which include information about reinvestigation processes and post-dispute options. Certain disputes now qualify for more in-depth investigation, such as mixed files, fraud, and identity theft. Consumers no longer have to acquire a credit report before disputing a credit report item. These reforms will be completed on a rolling basis, projected to end on June 6, 2018.

Medical Debt:

According to the Consumer Financial Protection Bureau, medical debt makes up over fifty percent of all debt reported to the CRAs. Often, medical debt is reported as late, even though the consumer may be waiting for their medical insurance to pay the debt. It can take some time for medical insurance to pay a claim, and by the time the claim is paid, the consumer's credit has taken a hit.

To remedy this, the settlement requires that medical debt can only be reported when the date of the first delinquency is more than one hundred and eighty (180) days old. This gives the consumer 180 days from the date of the first delinquency to work with their insurance to pay the debt. Even if your insurance does not pay within that time period, if the insurance company does pay in full later, the report must be removed or suppressed. These reforms must be fully implemented by June 6, 2018.

Fines and Tickets:

This settlement prohibits the CRAs from accepting a report that did not arise from any contract or agreement to pay. For example, certain tickets, including parking tickets, and certain fines cannot be reported. This reform must be fully implemented by September 8, 2016.

Old Debt:

Reports from debt that has not been paid in full must be regularly reported. CRAs will suppress or remove accounts that have not been updated within the last six months. This reform must be fully implemented by June 6, 2018.

Authorized Users:

Authorized user accounts can no longer be reported unless the report includes a date of birth. This reform must be fully implemented by June 6, 2018.

What can I do?

If you think that this settlement may apply to you, or you have questions, make an appointment with your local legal assistance office. The legal assistance office can assist you with removing or disputing items on your credit reports.

**New York residents have certain special protections under this settlement. Please contact your local legal assistance office with questions.

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If you have questions concerning the information in this fact sheet, please call the Legal Assistance Office (580) 442-5058 or (580) 442-5059. Our hours of operation are Monday, Tuesday, Wednesday and Friday, 0900 – 1600, and Thursdays 1300-1600. The Fort Sill Legal Assistance Office is located on the 4th floor of Building 4700, Hartell Hall (Welcome Center) on Mow-Way Road.