

**SUBSTITUTE AMENDMENT TO THE AMENDMENT IN
THE NATURE OF A SUBSTITUTE TO H.R. 3622
OFFERED BY MR. LOUDERMILK OF GEORGIA**

Strike all after the enacting clause and insert the following:

1 SEC. 1. EXCLUSION OF PAID MEDICAL DEBT.

2 Section 605(a) of the Fair Credit Reporting Act (15
3 U.S.C. 1681c(a)) is amended, by adding at the end the
4 following:

5 “(9) Paid debt arising from the receipt of medi-
6 cally necessary, non-elective medical services, prod-
7 ucts, or devices which from the date of payment,
8 antedate the report by more than 1 year.”.

**9 SEC. 2. PROHIBITION ON INCLUDING ADVERSE INFORMA-
10 TION RELATED TO PREDATORY MORTGAGE
11 LENDING.**

12 (a) IN GENERAL.—The Fair Credit Reporting Act
13 (15 U.S.C. 1681 et seq) is amended by inserting after sec-
14 tion 605B the following:

**15 “§ 605C. Adverse information relating to predatory
16 mortgage lending**

17 “(a) IN GENERAL.—A consumer reporting agency
18 may not furnish any consumer report containing any ad-

1 verse item of information relating to a covered residential
2 mortgage loan (including the origination and servicing of
3 such a loan, any loss mitigation activities related to such
4 a loan, and any foreclosure, deed in lieu of foreclosure,
5 or short sale related to such a loan), if the action or inae-
6 tion to which the item of information relates—

7 “(1) resulted from an unfair, deceptive, or abu-
8 sive act or practice, or a fraudulent, discriminatory,
9 or illegal activity of a financial institution, as deter-
10 mined by a court of competent jurisdiction; or

11 “(2) is related to an unfair, deceptive, or abu-
12 sive act or practice, or a fraudulent, discriminatory,
13 or illegal activity of a financial institution that is the
14 subject of a settlement agreement initiated on behalf
15 of a consumer and that is between the financial in-
16 stitution and an agency or department of a local,
17 State, or Federal Government.

18 “(b) COVERED RESIDENTIAL MORTGAGE.—In this
19 section, the term ‘covered residential mortgage loan’
20 means any loan made primarily for personal, family, or
21 household use that is secured by a mortgage, deed of trust,
22 or other equivalent consensual security interest on a dwell-
23 ing (as defined in section 103(w) of the Truth in Lending
24 Act), including a loan in which the proceeds will be used
25 for—

1 “(1) a manufactured home (as defined in sec-
2 tion 603 of the Housing and Community Develop-
3 ment Act of 1974);

4 “(2) any installment sales contract, land con-
5 tract, or contract for deed on a residential property;
6 or

7 “(3) a reverse mortgage transaction (as defined
8 in section 103(cc) of the Truth in Lending Act).”.

9 (b) TABLE OF CONTENTS AMENDMENT.—The table
10 of contents of the Fair Credit Reporting Act is amended
11 by inserting after the item relating to section 605B the
12 following new item:

 “605C. Adverse information relating to predatory mortgage lending.”.

13 **SEC. 3. PROHIBITION ON INCLUDING ADVERSE INFORMA-**
14 **TION WHEN FINANCIAL ABUSE HAS BEEN DE-**
15 **TERMINED.**

16 (a) IN GENERAL.—The Fair Credit Reporting Act
17 (15 U.S.C. 1681 et seq), as amended by section 2, is fur-
18 ther amended by inserting after section 605C the fol-
19 lowing:

20 **“§ 605D. Adverse information in cases of financial**
21 **abuse**

22 “A consumer reporting agency may not furnish a con-
23 sumer report containing any adverse item of information
24 about a consumer that resulted from intentionally abusive
25 or harmful financial behavior if—

1 item of information about a consumer that resulted from
2 a private student loan obligation if—

3 “(1) such consumer is a student obligor with
4 respect to such private education loan; and

5 “(2) a court of competent jurisdiction, in a law-
6 suit that is not a class action lawsuit, has deter-
7 mined that such consumer is a victim of fraud with
8 respect to such private education loan.

9 “(b) PRIVATE EDUCATION LOAN DEFINED.—For the
10 purposes of this section, the term ‘private education loan’
11 has the meaning given the term in section 140(a) of the
12 Truth in Lending Act.”.

13 (b) TABLE OF CONTENTS AMENDMENT.—The table
14 of contents of the Fair Credit Reporting Act is amended
15 by inserting after the item relating to section 605D, as
16 added by section 3, the following new item:

“605E. Adverse information in cases of a defrauded student obligor.”.

