

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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The Honorable Maxine Waters
Chair
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Waters and Ranking Member McHenry:

As the committee prepares for its upcoming hearing on credit reporting, the U.S. Chamber of Commerce encourages you to take into account the substantial benefits of the current reporting structure across the economy. We urge the Committee to cautiously approach changes to the law to avoid harmful consequences to the credit system and American consumers.

In the financial services arena, credit reporting agencies (CRAs) perform an integral role in lending, combatting fraud, and counteracting money laundering. Entities beyond financial institutions, such as telecommunications companies and utilities, also rely on CRAs as they offer products and services to customers. Employers often utilize CRAs when completing background checks on potential employees.

The potential negative impacts of unwarranted or punitive changes to the existing system of credit reporting are significant. Countries that do not have robust formal credit reporting structures do not provide goods and services as safely, efficiently or expeditiously as in the U.S. In these countries, completing common tasks such as enrolling in a new cell phone plan or securing a car loan requires much more documentation and far longer processing than in the U.S.

Further, as the committee is aware, CRAs are already subject to vigorous oversight, including under the Gramm Leach Bliley Act as well as section 5 of the Federal Trade Commission Act. Moreover, as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act, CRAs are also examined by the Consumer Financial Protection Bureau.

Thank you for your consideration of these views. The Chamber looks forward to working with the Committee on how we maintain a robust and functional system of credit reporting that serves consumers and businesses and helps our economy grow.

Sincerely,



Neil Bradley