House Memorial

A memorial to the Congress of the United States, urging Congress to support and encourage greater financial literacy and to reform the Credit Repair Organizations Act to grant consumers greater access to credit report and credit score education resources.

WHEREAS, financial literacy is essential in preparing individuals to make informed financial choices and take control of their financial circumstances, to improve their quality of life, and to plan for their financial future, and

WHEREAS, the 2014 Consumer Financial Literacy Survey suggests that many Americans continue to struggle with their finances, and one in five adults is unsure about the type of information that is included on a credit report and that many adults have misconceptions about, or are unaware of, the specific type of information that a credit report contains, and

WHEREAS, although Florida is a leader in financial literacy initiatives and the first state in the nation to adopt the Council for Economic Education's National Standards for Financial Literacy, which helps young adults understand how to make informed financial decisions, the complexity of credit scoring requires better education and tools, and

WHEREAS, credit scores are widely used by financial institutions to assess eligibility for mortgages, credit cards, student loans, personal loans, and other consumer credit, and
WHEREAS, the United States Congress has repeatedly stressed the importance of increasing transparency of credit reports and credit scores through amendments to the Fair Credit Reporting Act, the Fair and Accurate Credit Transactions Act of 2003, the Credit Card Accountability Responsibility and Disclosure Act of 2009, and the Wall Street Reform and Consumer Protection Act of 2010, and

WHEREAS, lenders disclose an estimated 120 million credit scores annually when consumers apply for loans, and many lenders provide customers with their credit scores on the monthly statements, and

WHEREAS, an increase in the availability of and access to credit scores generates more consumer questions for lenders and credit reporting agencies, and

WHEREAS, although the Credit Repair Organizations Act is an important consumer protection law designed to prevent unfair and deceptive practices by credit repair organizations that undermine the accuracy and completeness of credit reports, the law has been broadly applied by courts in ways that the United States Congress never intended, limiting the development and delivery of innovative credit education products and services, and

WHEREAS, many consumers who contact credit reporting agencies inquiring about their credit scores and credit reports and seeking specific recommendations for improving such scores and reports find that these agencies are limited by the Credit...
Repair Organizations Act from providing individualized assistance, and

WHEREAS, consumers should be able to obtain individualized assistance from supervised and regulated sources to learn specific actions they can take to improve their credit reports and credit scores, and

WHEREAS, the State of Florida and the United States Congress should use their powers to ensure that consumers have timely access to, and that organizations are offered incentives to invest in, financial education, NOW, THEREFORE,

Be It Resolved by the Legislature of the State of Florida:

That the Congress of the United States is urged to enact reforms to the Credit Repair Organizations Act to ensure that nationwide credit reporting agencies create, promote, and maintain resources for consumers to access specific recommendations for improving their credit reports and credit scores.

BE IT FURTHER RESOLVED that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.