

HM 1319

2015

## 1 House Memorial

2 A memorial to the Congress of the United States,  
3 urging Congress to support and encourage greater  
4 financial literacy and to reform the Credit Repair  
5 Organizations Act to grant consumers greater access to  
6 credit report and credit score education resources.  
7

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

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

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

24 WHEREAS, credit scores are widely used by financial  
25 institutions to assess eligibility for mortgages, credit cards,  
26 student loans, personal loans, and other consumer credit, and

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27 WHEREAS, the United States Congress has repeatedly stressed  
28 the importance of increasing transparency of credit reports and  
29 credit scores through amendments to the Fair Credit Reporting  
30 Act, the Fair and Accurate Credit Transactions Act of 2003, the  
31 Credit Card Accountability Responsibility and Disclosure Act of  
32 2009, and the Wall Street Reform and Consumer Protection Act of  
33 2010, and

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

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

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

49 WHEREAS, many consumers who contact credit reporting  
50 agencies inquiring about their credit scores and credit reports  
51 and seeking specific recommendations for improving such scores  
52 and reports find that these agencies are limited by the Credit

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53 Repair Organizations Act from providing individualized  
 54 assistance, and

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

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

63  
 64 Be It Resolved by the Legislature of the State of Florida:

65  
 66 That the Congress of the United States is urged to enact  
 67 reforms to the Credit Repair Organizations Act to ensure that  
 68 nationwide credit reporting agencies create, promote, and  
 69 maintain resources for consumers to access specific  
 70 recommendations for improving their credit reports and credit  
 71 scores.

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