



April 30, 2024

Mr. Dan Smith  
Chief Executive Officer  
Consumer Data Industry Association  
1090 Vermont Ave NW # 200  
Washington, DC 20005

Dear Mr. Smith,

Consumer Reports, in partnership with WorkMoney, recently completed our Credit Check-up initiative, which recruited consumers to check their credit reports through [AnnualCreditReport.com](https://AnnualCreditReport.com) and to let us know about their experiences. We're writing to share the findings of our research and to encourage the national credit reporting agencies (CRAs) to take a number of steps to ensure credit reports are fair and accurate.

We applaud the national CRAs decision last year to permanently extend free, weekly access to credit reports. We believe that this program is extremely beneficial to consumers, lenders, and other users of credit reports and will ultimately help ensure more accurate reports through more timely identification of improperly reported information, and earlier detection of fraud. Additionally, we commend the CRAs decision to remove all paid medical debts, medical debts less than a year old, and medical collections under \$500 from credit reports. We appreciate the past willingness of CDIA and its members to engage in discussions about making the credit reporting system work in the interest of consumers and look forward to further discussions in the future.

### **Key Recommendations**

- Invest additional resources into [AnnualCreditReport.com](https://AnnualCreditReport.com) to fix technical issues preventing consumers from accessing their credit reports online.
- Redesign the identity verification system so consumers are not locked out of their credit reports due to inaccurate information. Provide consumers with a faster way to verify their identity to access their reports rather than having to request them by traditional mail.
- CRAs should be matching the first name, last name, date of birth, and all nine digits of Social Security numbers when placing information on a credit report.
- Grant consumers the right to appeal the decision of a dispute.
- CRAs should provide an analysis of the dispute independent of the investigation the furnisher conducts.

Our research found that many consumers are still experiencing difficulty accessing their credit reports despite the increased availability. A significant number of participants in the Credit Checkup project also reported finding errors on their credit reports, including serious mistakes that could hurt their credit scores. Our report offers some policy recommendations the CRAs could implement to improve consumers' experiences in checking their credit reports and with the dispute resolution process to ensure credit reports achieve maximum possible accuracy as required under the Fair Credit Reporting Act.

The Credit Check-up study found that 11% of respondents who were able to access their credit reports reported doing so was "somewhat hard" or "extremely hard." When asked to explain what was hard about accessing their report, a common response was technical challenges they experienced with AnnualCreditReport.com. Respondents noted receiving error messages that said a condition existed preventing them from accessing their report and were provided instructions to receive their report by mail.

One of us experienced this challenge first hand and has been unable to retrieve a credit report from one of the bureaus over multiple attempts over multiple months. When this issue was reported to the website, there is no email confirmation that the issue is being reviewed or addressed, although a letter was sent apologizing for the inconveniences using the site with instructions to receive a free *annual* report by mail. AnnualCreditReport.com is maintained by Central Source LLC and sponsored by the national CRAs; it is imperative that additional resources are invested to fix the technical issues with the website that are preventing consumers from accessing their reports online.

Other consumers were blocked from accessing their report by the identity verification system because they were unable to answer a question based on inaccurate information. CDIA has previously mentioned at least one of the credit bureaus lets users opt to use a one-time PIN number sent by text or email to unlock their report; we recommend each credit bureaus adopt this or a similar practice so consumers have a faster way to verify their identity to access their reports rather than having to request them by traditional mail.

We found that almost half of the consumers who participated in the Credit Checkup project found mistakes in them, with more than a quarter (27%) finding serious errors involving debts that could damage their credit scores and limit their financial opportunities. Just over one third of participants (34%) reported finding errors with their personal information, such as an incorrect name or address listed on their reports. Implementing stricter matching criteria would help reduce the number of these errors. CRAs should match the first name, last name, date of birth, and all nine digits of Social Security numbers when placing information on a consumer's credit report.

Finally, consumers commented on their frustrations with the dispute system. According to the Consumer Financial Protection Bureau's Consumer Response Annual Report, complaints about credit reporting made up almost 80 percent of the total complaints the CFPB received in 2023 (1,309,800 out of 1,657,600). The number one complaint relates to errors on credit reports (430,600) and the third most reported complaint was about problems with a company's investigation into an existing issue (262,200). The dispute system must be improved by granting consumers the right to appeal the decision of a dispute. This will enable potential issues to be

resolved before the consumer has to elevate the problem to the CFPB and errors on a consumer's credit report can be rectified in a more timely fashion. The CRAs should provide an analysis of disputes independently of data furnishers that takes into account all supporting documentation provided by the consumer. CR would be happy to collaborate with the CRAs to facilitate greater furnisher accountability and communication with the consumer. Dedicating sufficient resources and personnel to the dispute system will improve credit reporting accuracy that will benefit consumers and all users of credit reports.

We urge CDIA and its members to consider the long-term benefits of implementing these policy recommendations to improve the accuracy of credit reports and consumers' experiences with the credit reporting system. We appreciate the constructive dialogue we have had in the past and look forward to further discussions to explore how we can collaborate to better serve consumers. Please feel free to contact CR at [ryan.reynolds@consumer.org](mailto:ryan.reynolds@consumer.org), or WorkMoney at [anjali.sakaria@workmoneyteam.org](mailto:anjali.sakaria@workmoneyteam.org) to discuss further.

Sincerely,

Ryan Reynolds



Financial Policy Analyst  
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Anjali Sakaria  
Chief Advocacy Officer  
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