

Credit Checkup:

Improving the Accuracy of Credit Reports



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APRIL 30, 2024



Acknowledgments

The author would like to thank Michael McCauley and Scott Medintz for significant feedback and edits throughout writing this paper. Alan Smith, Rikki McLaren, and Noemi Altman were instrumental in crafting the survey and discussing the results. The author would also like to thank Marcus Jones for convening internal and external collaborators and keeping the project on track. Thanks to Syed Ejaz for his work on the original Credit Checkup project.

Additional thanks to Lisa Gill, Tracy Anderman, Jonea Gurwitt, Camille Calman, Wendy Greenfield, and Michael Cain for feedback and edits through multiple drafts of this paper.

Also, thanks go to several other CR staffers who provided feedback and support, including Jennifer Chien, Delicia Reynolds Hand, Chuck Bell, Stephanie Landry, Marissa Yates, Tim La Palme, Margot Gilman, and Joel Keehn.

The author is also grateful for a fantastic partnership with the team at WorkMoney, who contributed significant support and feedback throughout the Credit Checkup project, including Anjali Sakaria, Ivy Brown, Tabitha Payne, Tiffany Telemaque, Kim Kyaw, Peter Kadushin, and Meghan Wasserman.

A final thanks to all the consumers who participated in Credit Checkup and shared their stories to improve the credit reporting system.

About Consumer Reports and WorkMoney

Consumer Reports

Founded in 1936, Consumer Reports (CR) is an independent, nonprofit, and nonpartisan organization that works with consumers to create a fair and just marketplace. Known for its rigorous testing and ratings of products, CR advocates for laws and company practices that put consumers first. CR is dedicated to amplifying the voices of consumers to promote safety, digital rights, financial fairness, and sustainability. The organization surveys millions of Americans every year, reports extensively on the challenges and opportunities for today's consumers, and provides ad-free content and tools to 6 million members across the U.S.

WorkMoney

WorkMoney is a national nonprofit organization dedicated to lowering costs and raising incomes for all Americans, making American life more affordable and American families economically secure. WorkMoney provides information, products, services, perks, benefits, tips, and tools to help more than 6 million members improve their financial lives. For more information visit [WorkMoney.org](https://www.workmoney.org).

Contents

Executive Summary	4
Background	6
Methodology	12
Key Findings	14
Marketplace and Policy Recommendations	17
Appendix	20

Executive Summary

Consumer Reports recently completed the third iteration of its Credit Checkup project. This year, CR partnered with WorkMoney, a national nonprofit dedicated to lowering costs and raising incomes for Americans. The project was initially launched in 2021, as the U.S. economy was beginning to recover from the effects of the COVID-19 pandemic but many consumers were still not able to work or make financial ends meet.

Access to credit reports and the accuracy of the information in those reports are vitally important to consumers. Financial institutions have long used the credit reporting system to decide whether to extend credit to individual consumers. In addition, credit reports are increasingly being used for other purposes, including by insurance companies to determine rates, by employers for hiring decisions, and by landlords making housing decisions.

Unfortunately, research has long indicated that errors on credit reports are common, and we have reason to believe this remains true today. Consumer complaints to the Consumer Financial Protection Bureau (CFPB) about credit reports have more than doubled since the Credit Checkup project began in 2021, and reporting errors are the most common reason for those complaints.

The Credit Checkup project has a few primary goals: to inform consumers that they can and should check their credit reports, for free, on a weekly basis; to instruct consumers on how to spot errors on their reports and what to do if they find one; to determine the most common errors consumers encounter when they check their reports; and, finally, to learn more about consumers' experiences when checking their credit reports.

As with previous iterations of the Credit Checkup project, CR asked consumers to check their reports and tell us about their experiences through a short survey. As before, the findings highlighted numerous ways in which the credit reporting system fails to serve consumers, and enabled us to make policy and marketplace recommendations to address those issues.¹

Key Findings

Consumers had difficulty getting their reports. Among respondents who were able to access their credit reports, 11 percent reported that doing so was either “Somewhat hard” or “Extremely hard.”

Consumers are finding errors in their reports. The survey found that 44 percent of respondents who successfully checked their credit reports found at least one error; 34 percent of those who found an error reported an error relating to personal information, and 27 percent reported an error relating to debt information.

¹ Syed Ejaz, “A Broken System: How the Credit Reporting System Fails Consumers and What to Do About It,” *Consumer Reports*, June 10, 2021, <https://advocacy.consumerreports.org/wp-content/uploads/2021/06/A-Broken-System-How-the-Credit-Reporting-System-Fails-Consumers-and-What-to-Do-About-It.pdf>.

The system for disputing errors on a credit report is ineffective. Consumers who identified errors in their reports had trouble with the dispute system. Some consumers expressed frustration that disputes were not resolved in their favor despite supporting documentation, and others were confused by the process in general.

Marketplace Recommendations

We believe the following measures would improve the credit reporting system, better enabling it to work for consumers rather than marketing consumers as a product. Some of these recommendations can be adopted voluntarily by the consumer reporting agencies (CRAs), others can be achieved by state-level policymakers, and some may require action by Congress or a federal agency.

1. *Consumers should have more control over their own credit information.* A consumer should be able to access their credit reports for free at any time, without being marketed paid services. The website for consumers to access their credit reports, [AnnualCreditReport.com](https://www.annualcreditreport.com), must be improved so it more reliably delivers credit reports online. The identity verification system should also be improved so consumers are not locked out of receiving their credit reports due to old or incorrect information being required to verify their identity.
2. *Credit report accuracy requirements should be strengthened.* Additional pieces of personal information should be used to match credit information with a consumer to ensure it is associated with the correct person. Additionally, it should be illegal to sell or attempt to collect a debt if the debt is too old to legally appear on a credit report. The reverse should also be true: If the legal validity of a debt is in question, the debt should not appear on a consumer's credit report until the furnisher can prove the debt is valid.
3. *The dispute resolution process should be improved.* Consumers should have the right to appeal the results of a dispute. The CFPB should step up its enforcement efforts to ensure that credit reporting agencies and data furnishers conduct thorough investigations of consumer disputes.
4. *Restrict the reporting of medical debt.* Medical debt is less predictive of future repayments than traditional debt. People get deep into medical debt through no fault of their own and often as a result of inflated healthcare pricing structures. Prohibiting the reporting of medical debt will help consumers receive access to credit and allow them to build a more secure financial life.
5. *Restrict the use of credit reports and credit scores for non-credit-related purposes.* Credit scores should not be used for practices such as determining insurance rates or making employment decisions.

Background

Credit Reports

A credit report is a record of a consumer's credit accounts and debt repayment history. Credit reports were originally used by lenders to determine an individual's creditworthiness, but now they are also used by insurance companies to determine rates, by employers for hiring decisions, by landlords in housing decisions, and by telephone and utility companies to determine whether to provide service.² In other words, a person's credit report can now affect—both positively and negatively—various aspects of life.

An individual's credit report contains personal information, credit accounts, collection items, public records, and credit inquiries.³ The personal information in a credit report includes a person's name, current and former addresses, birth date, Social Security number, and past and current phone numbers. Credit accounts will include all current and past credit accounts, such as a credit card account or mortgage, how much credit a person has available, how much they owe, their payment history, names of creditors, and the dates each account was opened or closed. Collection items include missed payments, any loans sent to collections, and information about overdue child support. Public records will include liens, foreclosures, bankruptcies, and civil suits and judgments. A credit report will also have a record of companies that made inquiries about your credit by accessing your report. Altogether, credit reports make up a highly detailed documentation of one's personal financial history.

Fair Credit Reporting Act

Credit reports are compiled and maintained by the three nationwide credit bureaus, also known as consumer reporting agencies (CRAs), Equifax, Experian, and TransUnion.⁴ Data about consumers is reported to CRAs by furnishers, and that information is included in a credit report.⁵ Permissible uses of credit reports as well as accuracy requirements are governed by the Fair Credit Reporting Act (FCRA), which requires consumer reporting agencies to adopt reasonable procedures to ensure that information in credit reports is accurate. If a consumer disputes the accuracy of information in a credit report, they can file a dispute with the CRA and the furnisher along with supporting documentation. The CRA will have 30 days to investigate and then to correct, delete, or verify the disputed information and notify the consumer of the determination.

² "Credit Reports and Credit Scores," *Board of Governors of the Federal Reserve System*, https://www.federalreserve.gov/creditreports/pdf/credit_reports_scores_2.pdf.

³ "What Is a Credit Report?," *Consumer Financial Protection Bureau*, January 29, 2024, <https://www.consumerfinance.gov/ask-cfpb/what-is-a-credit-report-en-309/>.

⁴ "List of Consumer Reporting Companies," *Consumer Financial Protection Bureau*, January 2024, <https://www.consumerfinance.gov/consumer-tools/credit-reports-and-scores/consumer-reporting-companies/companies-list/>

⁵ "Overview - For Furnishers of Data," *Consumer Data Industry Association*, <https://www.cdiaonline.org/resources/furnishers-of-data-overview/>.

This investigation period may be extended by 15 days if the CRA receives information from the consumer that is relevant to the investigation.⁶

However, accuracy requirements and what constitutes a reasonable investigation have long been the subject of legal debate.⁷ In *Sessa v. TransUnion LLC*, the plaintiff sued TransUnion for violating the FCRA for reporting she owed almost \$20,000 on her car's lease that she did not owe under the terms of the lease. TransUnion successfully argued in district court that it reported the information accurately as it had been provided by the company that financed the lease and that any alleged inaccuracies were therefore not actionable under the FCRA. The U.S. Court of Appeals for the Second Circuit disagreed, ruling against TransUnion in 2023 on the grounds that a claim alleging inaccuracy may be brought under the FCRA as long as the challenged information is objectively and readily verifiable. (The appeals court ruled that the district court never addressed the question of whether TransUnion had followed "reasonable procedures to assure maximum possible accuracy," as required under the FCRA, and remanded the case for further proceedings.)⁸

Another case, *Milgram v. JPMorgan Chase*, related to a furnisher's duty to investigate the accuracy of information it sends to CRAs after the information has been disputed by a consumer. Milgram's onetime employee had been convicted of identity theft and fraud for, among other things, opening a credit card account in Milgram's name and running up tens of thousands of dollars in debt on it, and illegally accessing Milgram's bank accounts to pay off the monthly statements. Milgram filed a dispute with the CRAs but Chase continued to assert that the plaintiff was responsible because Milgram's bank accounts had consistently paid for charges on the card, which demonstrated the employer had vested "apparent authority" in the employee to make those charges. When the consumer sued Chase for not conducting a reasonable investigation in light of the criminal convictions, the U.S. Court of Appeals for the Eleventh Circuit ruled in 2023 that "consumers cannot sue furnishers for providing inaccurate information—only for conducting unreasonable investigations." The court found Chase's investigation was reasonable because the criminal judgment against the employee who committed identity theft was not relevant to Chase's determination that the charges were legitimate.⁹

These cases will have a wide-ranging impact on the responsibilities of both CRAs and furnishers under the FCRA and how it will be enforced.

⁶ "Fair Credit Reporting Act," *Federal Trade Commission*, May 2023, https://www.ftc.gov/system/files/ftc_gov/pdf/fcra-may2023-508.pdf.

⁷ Seth Frotman, "Credit Reporting Companies and Furnishers Have Obligations to Assure Accuracy in Consumer Reports," *Consumer Finance Protection Bureau*, blog, May 6, 2022, <https://www.consumerfinance.gov/about-us/blog/credit-reporting-companies-and-furnishers-have-obligations-to-assure-accuracy-in-consumer-reports/>.

⁸ United States Court of Appeals for the Second Circuit, *Sessa v. TransUnion, LLC*, July 17, 2023, <https://law.justia.com/cases/federal/appellate-courts/ca2/22-87/22-87-2023-07-17.html>.

⁹ United States Court of Appeals for the Eleventh Circuit, *Milgram v. JPMorgan Chase*, June 8, 2023, <https://media.ca11.uscourts.gov/opinions/pub/files/202210250.pdf>.

Accessing Free Reports

Consumers are able to access their reports online through AnnualCreditReport.com, which is the only website authorized to provide free credit reports.¹⁰ Consumers can fill out a form with their personal information to request access to their credit reports from each of the nationwide CRAs. Consumers can request reports from all three credit bureaus at once, but each report requested will direct the consumer to the credit bureau's website and force them to retrieve the reports one at a time. If a technical problem prevents a consumer from retrieving a report from any one bureau, the website typically directs the consumer to request the credit report by mail instead. Although AnnualCreditReport.com has a "[contact us](#)" page, there is no link to this page when an error in retrieving a report occurs. Consumers who use the "contact us" form are not immediately informed if anything is being done in response, although this author did receive a mailed acknowledgment that the site regrets any inconvenience and instructions for requesting credit reports through the mail.

Consumers are entitled under the FCRA to only one free credit report per year from each of the three major credit bureaus. During the COVID-19 pandemic, the credit bureaus agreed to provide consumers free weekly access to their credit reports.¹¹ In September 2023, the credit bureaus permanently extended free weekly access to credit reports.¹² Frequent access to credit reports is an important way for consumers to stay on top of the information in their reports and ensure they are free of errors.

Errors

Errors on credit reports can cause major disruptions to a person's financial life. The information in a report can affect one's ability to rent or purchase a car, take out a student or home loan, obtain a credit card, rent an apartment, and even land a job. Credit report errors may involve incorrect personal information, such as a misspelled name or an out-of-date address, or incorrect information about a debt, such as an account the consumer never authorized or an on-time payment being reported as late.

There are a variety of reasons an error may show up on a consumer's credit report. A creditor or lender could incorrectly report information to the credit bureaus. Information about multiple consumers can accidentally be combined (in a so-called mixed file), sometimes because they share a similar name or lived at the same address at different times. And some errors are a result of identity theft or fraud.

¹⁰ "Free Credit Reports," *Federal Trade Commission*, July 2022, <https://consumer.ftc.gov/articles/free-credit-reports>.

¹¹ Stefani Wendel, "State of Credit 2020: Consumer Credit During COVID-19," *Experian*, October 20, 2020, <https://www.experian.com/blogs/insights/state-credit-2020/>.

¹² Michael McCauley, "Consumer Reports Applauds Major Credit Bureaus for Permanently Extending Free Weekly to Credit Reports," press release, September 20, 2023, https://advocacy.consumerreports.org/press_release/cr-applauds-major-credit-bureaus-for-permanently-extending-free-weekly-to-credit-reports/.

Many surveys and reports have noted a high frequency of errors in the credit reporting system. A December 2012 Federal Trade Commission study found that 21 percent of consumers disputed errors and had modifications made to at least one credit report, and that 5 percent found errors significant enough to affect their interest rate or their ability to obtain credit.¹³ In October 2023, a nationally representative CR survey of 2,087 U.S. adults found that 11 percent of Americans who had ever checked their credit report had spotted errors, including incorrect personal information and paid-off debts that were reported as outstanding.¹⁴

The Consumer Financial Protection Bureau maintains a database of complaints it receives from consumers. Complaints about credit reporting made up almost 80 percent of the complaints the CFPB received in 2023 (1,309,800 out of 1,657,600).¹⁵ Complaints about errors on credit reports have been the No. 1 complaint the CFPB has received for the past three years.¹⁶ The number of complaints relating to errors has more than doubled from 165,129 in 2021 to 430,600 in 2023.¹⁷

Dispute Resolution

Rising consumer complaints may be partially attributed to the automated nature of the dispute system. The dispute system is heavily reliant on automation through the Online Solution for Complete & Accurate Reporting (e-OSCAR), a web-based, automated system that enables data furnishers and CRAs to track and respond to consumer credit history disputes. The system facilitates Automated Credit Dispute Verification, in which a CRA sends a dispute notice to a data furnisher and the data furnisher is able to respond with any updated consumer credit information, which would also be forwarded to each CRA that the data furnisher reports to.¹⁸

Automation in the credit reporting industry has been extensively discussed by the National Consumer Law Center. CRAs are required to forward all relevant information a consumer submits as part of a dispute to the data furnisher that provided the credit information to the

¹³ “Section 319 of the Fair and Accurate Credit Transactions Act of 2003: Fifth Interim Federal Trade Commission Report to Congress Concerning the Accuracy of Information in Credit Reports,” *Federal Trade Commission*, December 2012, <https://www.ftc.gov/reports/section-319-fair-accurate-credit-transactions-act-2003-fifth-interim-federal-trade-commission-report>.

¹⁴ Consumer Reports nationally representative American Experiences Survey of 2,087 U.S. adults (October 2023), https://article.images.consumerreports.org/image/upload/v1698589747/prod/content/dam/surveys/Consumer_Reports_AES_October_2023.pdf.

¹⁵ “Consumer Response Annual Report,” *Consumer Financial Protection Bureau*, March 21, 2024, <https://www.consumerfinance.gov/data-research/research-reports/consumer-response-annual-report-2023/>.

¹⁶ Lisa Gill, “Credit Report Error Complaints Surge. Here’s Why You Should Check Yours,” *Consumer Reports*, February 15, 2024, <https://www.consumerreports.org/money/credit-scores-reports/credit-report-error-complaints-surge-check-your-report-a1194343465/>.

¹⁷ “Consumer Response Annual Report,” *Consumer Financial Protection Bureau*, March 21, 2024.

¹⁸ “About e-OSCAR,” e-OSCAR, <https://www.e-oscar.org/gettingstarted>.

CRA.¹⁹ The NCLC’s 2019 report discussed how some data furnishers ignore or neglect requirements to review all these documents, continue to rely on their own data, and fail to review critical information like account notes.²⁰

The CFPB also notes that automation has resulted in a reduction of staffing at least one of the national CRAs.²¹ Decreased staffing at the CRAs is shifting the burden of correcting errors onto consumers, as evidenced by the large increase in complaint volume.²²

Medical Debt

Medical debt is one factor that can hurt consumer credit scores. According to an analysis of data from the U.S. Census Bureau’s 2021 Survey of Income and Program Participation conducted by the Peterson-KFF Health System Tracker, approximately 14 million people in the U.S. owe more than \$1,000 in medical debt and about 3 million people owe more than \$10,000.²³

Some policymakers and consumer advocates maintain that medical debt should not be included on credit reports, on the grounds that—as the CFPB has reported—medical bills on credit reports are less predictive of debt repayment than reporting on traditional credit obligations.²⁴ In 2023, the CFPB announced it was initiating a rulemaking process to remove medical bills from credit reports.²⁵ Both Colorado and New York have enacted laws banning the reporting of

¹⁹ Gail Hillebrand, “Now You Have Better Options to Dispute a Credit Report Error,” *Consumer Financial Protection Bureau*, February 7, 2014, <https://www.consumerfinance.gov/about-us/blog/now-you-have-better-options-to-dispute-a-credit-report-error/>.

²⁰ Chi Chi Wu, Michael Best, and Sarah Bolling Mancini, “Automated Injustice Redux: Ten Years After a Key Report, Consumers Are Still Frustrated Trying to Fix Credit Reporting Errors,” *National Consumer Law Center*, February 2019, <https://www.nclc.org/wp-content/uploads/2022/08/automated-injustice-redux.pdf>.

²¹ “Annual Report of Consumer and Credit Reporting Complaints: An Analysis of Complaint Responses by Equifax, Experian, TransUnion,” *Consumer Financial Protection Bureau*, January 3, 2023, https://files.consumerfinance.gov/f/documents/cfpb_fcra-611-e_report_2023-01.pdf.

²² Gill, “Credit Report Error Complaints Surge.”

²³ Shameek Rakshit et al., “The Burden of Medical Debt in the United States”, *Health System Tracker*, February 12, 2024, <https://www.healthsystemtracker.org/brief/the-burden-of-medical-debt-in-the-united-states>.

²⁴ “Know Your Rights and Protections When It Comes to Medical Bills and Collections”, *Consumer Financial Protection Bureau*, April 11, 2022, <https://www.consumerfinance.gov/about-us/blog/know-your-rights-and-protections-when-it-comes-to-medical-bills-and-collections/>.

²⁵ Consumer Financial Protection Bureau, “CFPB Kicks Off Rulemaking to Remove Medical Bills from Credit Reports,” press release, September 21, 2023, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-kicks-off-rulemaking-to-remove-medical-bills-from-credit-reports/>.

medical debt.²⁶ (The CFPB released an interpretive rule in 2022 making clear that state laws of this kind are not preempted by the FCRA.)²⁷

So far, the three nationwide credit reporting companies have implemented policies to remove all paid medical debts and medical debts that are under a year old from consumer credit reports. They have also removed medical collections that are under \$500.²⁸ However, unpaid medical collections over \$500 still appear on consumer credit reports.

Community Reports

Community Reports, the Community Science wing of CR, works with Community Reporters to uncover problems—and develop solutions—for a more fair, safe, and transparent marketplace.

Through Community Reports, CR offers consumers a chance to contribute their own data to studies designed to understand what change needs to be made in the marketplace. CR teaches them to deploy their own data as consumers to advocate for that change. Once consumers have participated in a Community Reports research project, they are part of a community of people working together on multiple issues to discover more insights about the marketplace. More than 75,000 consumers have participated in multiple studies. Those participants are now helping design future Community Reports activities.

²⁶ Chuck Bell, “New York Governor Signs Ban on Reporting Medical Debt to Credit Reporting Agencies,” press release, December 13, 2023, https://advocacy.consumerreports.org/press_release/new-york-governor-signs-ban-on-reporting-medical-debt-to-credit-reporting-agencies/.

²⁷ “The Fair Credit Reporting Act’s Limited Preemption of State Laws,” *Consumer Financial Protection Bureau*, June 28, 2022, <https://www.consumerfinance.gov/rules-policy/final-rules/the-fair-credit-reporting-acts-limited-preemption-of-state-laws/>.

²⁸ “Have Medical Debt? Anything Already Paid or Under \$500 Should No Longer Be on Your Credit Report,” *Consumer Financial Protection Bureau*, May 8, 2023, <https://www.consumerfinance.gov/about-us/blog/medical-debt-anything-already-paid-or-under-500-should-no-longer-be-on-your-credit-report/>.

Methodology

This iteration of the Credit Checkup survey was launched February 15, 2024. CR and WorkMoney encouraged consumers to take advantage of the free weekly access to their credit reports online and then tell us about their experiences through a short questionnaire. The survey was conducted on a voluntary basis using convenience sampling and was open to any individual who wanted to participate. This sample may not be representative of the broader U.S. population.

Survey Promotion

This survey was promoted through a campaign coordinated by CR and WorkMoney as well as other partner organizations. CR started with a base of active Community Reporters, more than 50,000 consumers who had previously participated in CR community research projects. These volunteers were already familiar with CR and with the notion of donating personal data to the organization. To maximize our chances of getting enough usable data, we then recruited participants more widely, using CR social media and outreach to interested media organizations and researchers. Promotional material directed consumers to a landing page that contained information relating to credit reports and directions on how to obtain free copies of their reports online, as well as information about filing a dispute about any errors they might find.

WorkMoney encouraged its members via SMS/text messages to check their credit report for free. SMS/text messages directed members to a landing page with directions on how to obtain a free copy of their credit report, as well as instructions on how to complete the follow-up survey after checking their credit report. WorkMoney members continued to receive helpful information about disputing errors and improving credit scores following the project.

Additional partnering organizations also shared links to the Credit Checkup landing page via their social media accounts.

Survey Design

The survey was conducted on SurveyMonkey from Feb. 15 through Feb. 29, 2024, and consisted of 19 multiple choice and open-ended questions regarding people's experiences accessing their credit reports and understanding/checking the accuracy of the information contained within. The multiple choice questions and the associated response data can be found in the appendix.

The landing page for Credit Checkup and other promotional materials directed consumers to check one or more of their credit reports prior to taking the survey, and provided instructions on how to receive free credit reports online through AnnualCreditReport.com. The first question asked consumers when they had last checked their credit report. If the answer was longer than a month ago, the consumer was directed to first check their latest credit report and update their answer in order to proceed. (If the consumer clicked "I am unable to access my credit report" at

that point, they were asked a series of questions designed to reveal why they were unable to access their report.)

In addition to multiple choice questions, the survey included the following three open-ended questions:

- Consumers who indicated that accessing their credit report was “Somewhat hard” or “Extremely hard” were asked, “What was hard about accessing your credit report?”
- Consumers who indicated that reading and understanding their credit report was “Somewhat hard” or “Extremely hard” were asked, “What was hard about reading and understanding your credit report?”
- All survey respondents were asked, “Is there anything else you’d like to tell us about your credit report?”

Selected responses to the open-ended questions appear in the Key Findings and Marketplace and Policy Recommendation sections of this report.

Sample

A total of 4,308 respondents completed the survey. The survey was open to CR Community Reporters, WorkMoney members, and members of the general public who followed a link to take the survey. The majority of respondents (66.8 percent) described themselves as white. The sample for this survey overrepresents low-income households and underrepresents higher-income households compared with the national average.²⁹ (Almost 35 percent of respondents reported a total household income of less than \$20,000 per year; 9 percent said they made between \$100,000 and \$149,000; and 8 percent said they made more than \$150,000. The Census Bureau reported 15.7 percent of the U.S. population had a household income of less than \$25,000 in 2022; 16.4 percent of households had income ranging from \$100,000 to \$149,999; and 21.1 percent of households had income of over \$150,000.³⁰) A full breakdown of all demographic information that was collected may be found in the appendix.

²⁹ The total number of respondents for each income bracket is as follows. Under \$20,000: 1461. Between \$20,000 and \$34,999: 791. Between \$35,000 and \$49,999: 448. Between \$50,000 and \$74,999: 455. Between \$75,000 and \$99,999: 315. Between \$100,000 and \$149,999: 381. Over \$150,000: 351.

³⁰ Gloria Guzman and Melissa Kollar, “Income in the United States: 2022,” *United States Census Bureau*, September 12, 2023, <https://www.census.gov/data/tables/2023/demo/income-poverty/p60-279.html>.

Key Findings

1) Difficulty Getting Reports

The 2024 Credit Checkup survey found that **11 percent of respondents who were able to access their credit report reported that doing so was either “Somewhat hard” or “Extremely hard.”**

A common problem was difficulty getting electronic copies of reports using AnnualCreditReport.com. Consumers frequently reported receiving error messages from at least one of the three bureaus. The error messages typically include instructions for requesting a hard copy by mail.

Indeed, this author has not been able to check his Experian report after multiple attempts over multiple months and keeps receiving the error message, “A condition exists that prevents Experian from being able to accept your request at this time.” This issue has persisted on different computers and on different web browsers.

One consumer participant reported:

“I tried to view all 3 reports. Only transunion came up. I signed back on from the beginning to see Equifax. When I clicked again the site said I visited all three sites but never did see Experian.”

Another consumer had trouble accessing their report because the information used to verify their identity was incorrect:

“Transunion asked me 6 multiple choice questions all of which were ‘none of the above.’”

One consumer was asked to verify their identity with information about someone else:

“Experian asked questions related to my ex husband and his wife to verify who I am. Therefore no access gained.”

2) Reporting Errors

The survey found that **44 percent of respondents who successfully checked their credit reports reported at least one error.** Of those who found an error, 34 percent said the error related to personal information and 27 percent said it related to debt information. Errors related to personal information included a wrong or misspelled name, an unrecognized address, and an old address listed instead of a current address.

Consumers reported instances of listed addresses where they had never lived or where family members lived:

“I was surprised at how many addresses they said were former residences where I never lived.”

One consumer was made aware of an unknown relationship with a phone number they did not recognize:

“I was quite surprised to learn I had a wife. Since I didn't know that unknown phone number was there (and thanks to you for encouraging me to check these reports) I can now have that number removed.”

Errors related to debts included credit accounts that did not belong to the consumer, reports of late or missed payments that the consumer knew had been made on time, and debts that did not belong to the consumer reported as being in collections.

Another consumer reported that their payment history was not reflected in the status of their student loan:

“There were some parts of my student loans where they said my payment status was unknown, but this was for October and November 2023 so my loans were in repayment and I was paying. They didn't say I was late but they didn't say I was on time either.”

3) Ineffective Dispute System

Consumers reported problems disputing errors after having identified them. One consumer reported this experience with the dispute system:

“Even if you provide proof of payment or proof of no account during a dispute, they always take the side of the creditor even when there is no paperwork that shows your name or the debt they claim is yours. Collections agencies do the same and believe the creditor even when contract documents are blank and do not have your name, signature or dates which are all blank.”

Another consumer reported that the dispute system was confusing:

“Experian opened with a confusing page that immediately offered options to dispute name errors, then recommended not to dispute them.”

One consumer put it bluntly:

“I disputed the inaccurate information and was rejected. Pissed me off and I gave up.”

Marketplace and Policy Recommendations

Consumer Reports has previously made recommendations to policymakers and the credit reporting industry that we believe would improve the credit reporting system.³¹ Some have been adopted or are being addressed at the state level. More can still be done by the federal government and CRAs to improve consumers' experience with the system.

1) Provide Consumers With More Control Over Their Own Credit Information

- Consumers should be able to access their credit reports free of charge at any time. While the credit bureaus' voluntary decision to make credit reports free on a weekly basis is an important step in the right direction, consumers should always be able to access their own credit information without charge.
- Consumers should not be shown any advertisements or marketing for paid services when accessing their free credit reports. One consumer reported: "I contacted the three credit reporting agencies separately because I didn't know you were going to provide a link to [annualcreditreport.com]. All three made attempts to have me sign up for additional services."
- Consumers should be guaranteed reliable and easy access to their credit reports through AnnualCreditReport.com or other secure online portals. They should be able to directly compare their credit reports at AnnualCreditReport.com, rather than being directed to each bureau's website separately. There should be a simple process to submit technical issues with the site to ensure it is functioning properly.
- Credit reports should be frozen by default so a creditor or would-be creditor can access a consumer's credit information only if the consumer grants them access. (Federal legislation has been introduced that would require this.)³²
- The identity verification system should be redesigned to ensure consumers are not locked out of their credit reports if they cannot answer a question based on inaccurate information. Alternatives should include a faster method than traditional mail to verify their identity.

2) Strengthen Accuracy Requirements

CRAs and companies that furnish information to them should do more to ensure that information in a consumer's credit report is accurate.

- CRAs and data furnishers should be required to match the first name, last name, date of birth, and all nine digits of Social Security numbers when placing information on

³¹ Ejaz, "A Broken System: How the Credit Reporting System Fails Consumers and What to Do About It."

³² "S.1327 - Consumer Credit Control Act of 2023," *Congress.gov*, April 26, 2023,

<https://www.congress.gov/bill/118th-congress/senate-bill/1327>

consumer credit reports. (CR has supported efforts to incorporate these requirements into statute.)³³

- It should be illegal to sell or attempt to collect debt that is more than seven years old, which is too old to be reported on a credit report under the FCRA.³⁴
- If the validity of a debt requires a legal determination, the debt should by default not appear on a consumer's credit report. The onus should be on the furnisher to prove the debt is valid before it may appear on a credit report.

3) Improve the Dispute Resolution Process

- Consumers should have the right to appeal the results of dispute investigations. (CR has supported efforts to incorporate these requirements into statute.)³⁵
- The CFPB should step up its enforcement efforts to ensure that credit reporting agencies and data furnishers conduct thorough investigations of consumer disputes.
- Furnishers should be held to a higher standard of what is considered "a reasonable investigation."
- Furnishers should be required to correct consumers' information when provided with supporting documentation that the furnisher reported erroneous information to a CRA.

4) Restrict the Reporting of Medical Debt

- The CFPB should rapidly move forward with its plans to implement a rule to remove medical bills from Americans' credit reports. High medical debt can arise from opaque and inflated pricing structures that catch consumers in the middle of negotiations between providers and insurers.
- State legislatures should enact their own laws restricting the reporting of medical debt to protect consumers during a lengthy rulemaking process.

5) Restrict the Use of Credit Reports and Credit Scores for Non-Credit-Related Purposes

- Consumer Reports noted the problems with using credit scores as a rating factor for auto insurance in a 2015 study.³⁶ Credit scores should not be a reason consumers have to pay more for auto insurance. Rates should be determined by drivers' behind-the-wheel behavior.

³³ Americans for Financial Reform, letter of support for HR 3621, "Comprehensive Credit Reporting Enhancement, Disclosure, Innovation, and Transparency Act of 2020 (Comprehensive CREDIT Act of 2020)," January 27, 2020, <https://ourfinancialsecurity.org/wp-content/uploads/2020/01/2020.1.27-House-floor-credit-reporting-bill-support-letter.pdf>.

³⁴ Ben Luthi, "How Long Does It Take for Information to Come Off Your Credit Reports?" *Experian*, September 11, 2023, <https://www.experian.com/blogs/ask-experian/how-long-does-it-take-information-to-come-off-your-report/>.

³⁵ Americans for Financial Reform, letter of Support for HR 3621.

³⁶ "Special Report: Car Insurance Secrets," *Consumer Reports*, July 30, 2015, <https://www.consumerreports.org/cro/car-insurance/auto-insurance-special-report/index.htm>.

- Credit reports should not be used for employment decisions. They are a poor predictor of job performance and prevent upward mobility by creating unfair barriers to employment.³⁷

³⁷ Amy Traub and Sean McElwee, “Bad Credit Shouldn’t Block Employment: How to Make State Bans on Employment Credit Checks More Effective,” *Demos*, February 25, 2016, <https://www.demos.org/research/bad-credit-shouldnt-block-employment-how-make-state-bans-employment-credit-checks-more>.

Appendix

Results From Consumer Reports and WorkMoney Credit Checkup Survey (Multiple Choice Questions Only)

When did you last check your credit report?	
Today	37.14%
This week	17.50%
This month	20.78%
This year	0%
Never	0%
Can't recall	0%
Other	0%
I am unable to access my credit report for the following reason	24.58%
Base: All respondents.	4,308
Note: Participants who answered "This year," "Never," "Can't recall," or "Other" were redirected to the portion of the landing page instructing them to check their credit report and how to do so. They had to answer this question again before proceeding with the survey.	

What credit bureau(s) did you get your credit report from:	
None of the above	5.26%
Experian	47.65%
Equifax	37.93%
TransUnion	38.46%
All of the above	19.77%
Unsure	8.27%
Base: All respondents who checked their credit report.	3,253
Note: Percentages do not add up to 100. Participants could select	

multiple answers. Some participants received their credit report from two or more credit bureaus.	
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Did you use AnnualCreditReport.com to access your credit report(s)?	
Yes	43.11%
No	42.25%
Can't remember	14.64%
Unsure	0
Base: All respondents who checked their credit report.	3,252
Note: AnnualCreditReport.com was where Consumer Reports and WorkMoney sent respondents who had not recently checked their credit reports. AnnualCreditReport.com is the official site to receive free credit reports as authorized under federal law.	

How was your overall experience accessing your credit report(s)?	
Extremely easy	41.99%
Somewhat easy	29.71%
Neither easy nor hard	17.16%
Somewhat hard	8.03%
Extremely hard	3.11%
Base: All respondents who checked their credit report.	3,251

How was your overall experience reading and understanding your credit report(s)?	
Extremely easy	36.15%
Somewhat easy	35.54%
Neither easy nor hard	18.52%
Somewhat hard	7.17%
Extremely hard	2.62%
Base: All respondents who checked their credit report.	3,250

Now, we want to ask you about what you found on your credit report. Credit reports contain several types of data, personal information, such as your name and address, and information about any time you've borrowed money, including credit cards, auto loans, and in some cases other types of debt that have gone to collections such as medical bills. We want to ask you about both in separate questions. Did you find any incorrect personal information on your credit report(s), such as misspellings or names or addresses that you don't recognize?

Yes	33.74%
No	66.26%
Base: All respondents who checked their credit report.	3,249

If you found incorrect personal information on your credit report, which types of errors did you find? Check all that apply.

Wrong name (a name that is not yours)	26.79%
Your name misspelled	33.55%
Wrong address (address you do not recognize)	55.01%
Previous address listed instead of current address	33.68%
Base: Respondents who reported incorrect personal information on their report.	769
Note: Percentages do not add up to 100. Respondents were able to select more than one answer.	

Did you find information on your credit report(s) related to debts that you believe is incorrect? This can include payments that are noted as late when you know you made them on time, or an account that you don't recognize, such as a credit card that you don't have.

Yes	27.02%
No	72.98%
Base: All respondents who checked their credit report.	3,231

If you found an error on your report regarding a debt, what kind of error was it? Check all that apply.

An account that I don't recognize	56.21%
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One or more payments reported late that I made on time	21.89%
A missed payment that I know I made	18.92%
A debt reported to collections that I don't recognize	59.46%
Base: Respondents who reported an incorrect debt on their report.	740
Note: Percentages do not add up to 100. Respondents were able to select more than one answer.	

Some borrowers have an agreement with the lender, sometimes called a forbearance agreement, that allows them to skip payments on some of their debts, such as mortgages, credit cards, and student loans. These agreements can be made under various circumstances, but for many people, they have happened by arrangement or even automatically during the pandemic (such as for federal student loans). Do you have an account where you have an agreement with the lender that allows you to skip making payments?	
Yes	8.95%
No	71.11%
Unsure	19.94%
Base: All respondents who checked their credit report.*	3,230
*Response optional (1,086 people skipped this question).	

If you have an account for which you are being allowed to miss payments, is that account(s) being reported as "current" on your credit reports?	
Yes	54.66%
No	22.51%
Unsure	22.83%
Base: Respondents who said "yes" when asked whether they have a forbearance agreement.	289

What's your gender?	
Male	49.53%
Female	49.15%

I prefer not to answer	0.93%
Not listed (please specify)	0.37%
Base: All respondents.*	4,280
*Response optional (28 people skipped this question).	

Are you of Hispanic, Latino, or Spanish origin?	
Yes	9.77%
No	86.55%
I prefer not to answer	3.68%
Base: All respondents.*	4,269
*Response optional (39 people skipped this question).	

How would you describe your race or ethnicity? You can select more than one.	
Asian	1.99%
Biracial/multiracial	1.4%
Black	19.44%
Native American	4.56%
Latinx	2.85%
Pacific Islander	0.44%
White	66.82%
Prefer not to say	3.71%
Other	4.58%
Base: All respondents.*	4,280
*Response optional (28 people skipped this question).	
Note: Percentages do not add up to 100. Respondents were able to select more than one answer.	

What was your total household income before taxes last year? Your best guess is fine, and don't worry, this info is confidential.	
Under \$20,000	34.77%
Between \$20,000 and \$34,999	18.82%
Between \$35,000 and \$49,999	10.66%
Between \$50,000 and \$74,999	10.83%
Between \$75,000 and \$99,999	7.5%
Between \$100,000 and \$149,999	9.07%
Over \$150,000	8.35%
Base: All respondents.*	4,202
*Response optional (106 people skipped this question).	