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Consumer Advocates Support Senate Bill to Provide Greater Rights to Consumers to Prevent and Correct Credit Report Errors

(WASHINGTON) The National Association of Consumer Advocates (NACA) and the National Consumer Law Center (NCLC), on behalf of its low-income clients, strongly endorse the Stop Errors in Credit Use and Reporting (S.E.C.U.R.E) Act of 2014, legislation introduced in the Senate today by Senators Brian Schatz and Sherrod Brown. The bill proposes common-sense fixes to a broken credit reporting system that is riddled with preventable inaccuracies and errors. “This bill is an important first step to allow consumers who play by the rules to obtain good credit, jobs and the financial stability they seek, said NACA’s Executive Director Ira Rheingold.”

Credit reports and credit scores have a tremendous impact on consumers’ daily lives. A good credit history and credit score enable consumers to obtain credit and to have that credit at a fair price. However, a bad credit report can prevent consumers from buying a car, securing a mortgage, or even getting a job. Despite the importance of accurate credit reports and the purpose of the Fair Credit Reporting Act (FCRA) to promote accuracy, systematic errors unfortunately remain common in our nation’s credit reporting system. In fact, a [recent FTC study](#) found that 21% of consumers had verified errors in their credit reports, 13% had errors that affected their credit scores, and 5% had errors serious enough to be denied or pay more for credit.

Consumers are often frustrated by their inability to correct errors in their credit reports and to get the credit bureaus to conduct meaningful investigations into their disputes. NACA and NCLC (on behalf of its low-income clients) support the S.E.C.U.R.E Act of 2014 because it will provide better greater accuracy and accountability from the credit reporting industry. It will also give consumers the ability to ask a court to order credit bureaus to fix an inaccurate credit report. The bill would also provide consumers free annual access to an actual score that is used by lenders to make credit decisions. “This bill will institute long-overdue reforms to the credit reporting system, and will give consumers the right to obtain a critical piece of information about themselves – their credit score – on a free annual basis,” said National Consumer Law Center

attorney Chi Chi Wu. “It will also give them a fighting chance to obtain relief when their credit reports have been unjustly marred by inaccurate information.”

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The National Association of Consumer Advocates (NACA) is a nonprofit association of more than 1,500 consumer advocates and attorney members who represent hundreds of thousands of consumers victimized by fraudulent, abusive and predatory business practices. As an organization fully committed to promoting justice for consumers, NACA’s members and their clients are actively engaged in promoting a fair and open marketplace that forcefully protects the rights of consumers, particularly those of modest means. www.naca.net

Since 1969, the nonprofit **National Consumer Law Center® (NCLC®)** has worked for consumer justice and economic security for low-income and other disadvantaged people, including older adults, in the U.S. through its expertise in policy analysis and advocacy, publications, litigation, expert witness services, and training. www.nclc.org