



U.S. ARMY OKINAWA

★ TORII STATION ★



LEGAL ASSISTANCE

• 652-4332 / 4742 • BUILDING 218, ROOM 220 •

CREDIT REPORT

Adapted from an article by Yokota Air Base

Introduction: Credit bureaus – otherwise known as “consumer reporting agencies” or CRAs – gather and sell financial information about private citizens: information such as whether they pay bills on time, if and when they filed for bankruptcy, their current credit limit, etc. This information is routinely sold to potential creditors, landlords, employers, and other businesses who may be interested in your personal credit history. The Fair Credit Reporting Act (see 15 United States Code Sections 1681 *et seq.*) (the “FRCA”) governs how such information must be handled.

The only way to maintain a strong credit rating is to timely pay all your debts and obligations as they come due. Once an account has a bad rating, it is difficult to improve your credit score, even if you have taken steps to improve your score, like paying your debt off. Note that your credit score or “credit rating” is an overall compilation of your various consumer credit accounts. Therefore, credit worthiness will remain high in the face of a minor problem if considered along with a history of timely repayment.

Your Rights under FCRA: In addition to any state laws that may protect your credit information, the FCRA provides the following rights:

- You must be told if information in your file has been used against you in a negative way (such as if you have been denied a credit card).
- You can find out what is your file. You can request a credit report at any time for a nominal fee. You may also receive a free credit report within 60 days of receiving notice that you have been denied credit based on information in a credit report.
- You can dispute inaccurate information in your credit report. However, the CRA is not required to remove inaccurate data from your file unless it is outdated or cannot be verified.
- You can dispute inaccurate items with the source of the information.
- At your request, the CRA must send notices of corrections to your credit reports to anyone who received your report within the past six months. Job applicants can have the CRA send a corrected copy of the report to anyone who received a report in the past two years for employment purposes.
- Even if the reinvestigation of the credit information does not resolve your dispute, you can ask the CRA to add the fact that you dispute your rating in your report.

- Outdated information may not be reported. In most cases, a CRA may not report negative information that is more than seven years old; ten years for bankruptcies. In the case of a credit transaction of \$150,000 or more (for a home mortgage, for example), the issuance of life insurance for \$150,000 of coverage or more, or an application for employment in a job with a salary of \$75,000 or more, the CRA may report adverse information that is older than seven years old.
- Access to your file is limited. A CRA may provide information about you only to people with a need to know as recognized by the FCRA. Typical needs include the need to consider an application with a creditor, insurer, employer, landlord, or other business.
- Your consent is required for reports that are provided to employers, or reports that contain medical information.
- You may choose to exclude your name from CRA lists for unsolicited credit and insurance offers. You can do this by notifying a CRA that you want your name removed from the CRA list for unsolicited offers.

Should You Pay a Company to Fix Your Credit Rating? Beware of companies that claim they can fix your credit. These companies cannot erase a bad credit rating if the rating is based on accurate information. If the rating is not based on accurate information, the credit fixing company can do no more than what you can do to fix the credit rating yourself. Rather than a private company, you may wish to consult the Federal Trade Commission (FTC) at <https://www.ftc.gov/faq/consumer-protection/get-my-free-credit-report>.

How Is the Law Enforced? You can sue a CRA for willfully or negligently violating the FCRA. The FTC enforces the FCRA, and you can file a complaint with the FTC by contacting the **Consumer Response Center by phone: toll-free 1-877-FTC-HELP (382-4357) by Internet at <https://www.ftc.gov/faq>**, or by mail at:

**Consumer Response Center, FTC
600 Pennsylvania Ave, NW
Washington, DC 20580**

How to Get a Copy of Your Credit Report: To obtain a copy of your credit report, send all the information on the attached form to one or more of the following CRAs:

EQUIFAX
PO Box 740241
Atlanta, GA 30374-0241
800-685-1111
www.equifax.com

TRANS UNION
PO Box 390
Springfield, PA 19064
800-888-4213
www.transunion.com

EXPERIAN
PO Box 8030
Layton, UT 84041-8030
888-397-3742
www.experian.com

You can also obtain a free copy of your credit report once a year by going to: www.annualcreditreport.com