

**SUPPORT [S.J.Res. 145](#) to Protect the Privacy of Consumers' Personal Data**

In 2022, the Consumer Financial Protection Bureau (CFPB) cracked down on misuses of credit report access by issuing guidance on the rules surrounding credit report privacy. But in a rule submitted to Congress, the Trump CFPB rescinded that guidance—threatening consumer data privacy.

Senator Wyden's joint resolution of congressional disapproval (JRD) would undo the Trump CFPB decision and restore the earlier rule: "Fair Credit Reporting; Permissible Purposes for Furnishing, Using, and Obtaining Consumer Reports."

*Endorsers: National Consumer Law Center (on behalf of its low-income clients), Consumer Federation of America, Center for Responsible Lending, Protect Borrowers, Americans for Financial Reform, National Community Reinvestment Coalition*

**Key Points**

- **Consumer reporting companies have misused or abused personal data.** When a consumer reporting company, such as a tenant or employment screening company, uses insufficient matching procedures, such as name-only matching, the items on a credit or background check report may not correspond to one individual, meaning that the credit bureau or background screener has shared that second person's information without a permissible purpose. This raises serious privacy concerns for consumers.
- **The Fair Credit Reporting Act (FCRA) aims to protect the confidential information of consumers.** The FCRA contains specific restrictions on the release of consumer reports, and requires that a consumer report (*e.g.*, a credit report or background check report) can only be provided if the user (such as a creditor, landlord, or employer) certifies that it has a "permissible purpose" to obtain a report on a specific person.
- **The Biden CFPB issued guidance to protect consumer data privacy.** In 2022, the CFPB issued an [advisory opinion](#) to reinforce that companies sharing credit reports have a "permissible purpose," thereby requiring companies to provide reports containing only information about the consumer being screened. The CFPB clarified that using insufficient identifiers in matching procedures can lead to violations of the "permissible purpose" requirements when the consumer is tagged with someone else's criminal or eviction record. It also reminded covered entities that they may be subject to criminal liability for certain misconduct.
- **The Trump Administration withdrew this commonsense guidance, and this JRD seeks to restore it.** Although underlying statutes like the FCRA continue to [protect the privacy](#) of information in the files of consumer reporting companies, the Trump Administration's rescission of guidance that was intended to clarify companies' specific obligations signals to bad actors that they may be able to relax their protections of consumer data without fear of facing any real consequences from the current CFPB. It is critical for Congress to restore the earlier guidance.