

SB 605 A -A9 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

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Meeting Dates: 5/15, 5/20

WHAT THE MEASURE DOES:

The measure prohibits a person from reporting to a consumer reporting agency the amount or existence of any medical debt that a resident of Oregon owes or is alleged to owe. Defines medical debt as an amount that a resident of Oregon owes to a person who provides medical services, products, or devices for medical treatment other than some cosmetic surgery, medical devices or supplies including drugs or medications, patient care, or other medical services or products and does not include an amount owed on a credit card or to a financial institution that extended credit unless the credit was extended to purchase medical treatment, patient care, or other medical services or supplies. Specifies that a court may declare the medical debt void and uncollectible in an action brought for violation of this provision. The measure prohibits a consumer reporting agency from reporting an item that the consumer reporting agency knows or reasonably should know is a medical debt.

Fiscal impact: Minimal Fiscal Impact

Revenue impact: No Revenue Impact

SENATE VOTE Ayes, 18; Nays, 10

ISSUES DISCUSSED:

- Provisions of the measure
- How credit cards would be affected by the measure
- Debt Collection
- Credit reporting
- Data that is indicative of paying back debt
- What procedures or treatments are included in the meaning of medical debt
- Elective Procedures
- Purpose of the credit reporting system
- Interest charged on credit cards offered specifically for medical costs

EFFECT OF AMENDMENT:

-A9 The amendment specifies that medical debt also means a monetary obligation, on a credit card issued specifically for the payment of medical services, products, or devices for individuals, incurred to pay for medical treatment other than some cosmetic surgery, medical devices or supplies including drugs or medications, patient care, or other medical services or products. The amendment removes what medical debt does not include.

Fiscal impact:

Revenue impact:

BACKGROUND:

The Consumer Financial Protection Bureau (CFPB) is a U.S. agency that is responsible for enforcing federal consumer financial laws and protecting consumers in the financial marketplace. In January 2025, CFPB issued a final rule amending Regulation V, which implements the Fair Credit Reporting Act. This final rule prohibits creditors from considering medical information in credit eligibility determinations. This final rule also generally prohibits a consumer reporting agency from providing a creditor a consumer report with information on medical debt that the creditor is prohibited from using.

However, this final rule, known as the Prohibition on Creditors and Consumer Reporting Agencies Concerning Medical Information (Regulation V), is the subject of pending litigation in the United States District Court for the Eastern District of Texas. That Court recently entered a 90-day preliminary injunction that stayed the effective date for the final rule until June 15, 2025.

Senate Bill 605 A prohibits a person from reporting to a consumer reporting agency the amount or existence of any medical debt that a resident of Oregon owes or is alleged to owe and prohibits a consumer reporting agency from reporting an item that the consumer reporting agency knows or reasonably should know is a medical debt.