Consumer Data Industry Association
1090 Vermont Ave., NW, Suite 200
Washington, D.C. 20005-4905

February 5, 2025

The Honorable Kathleen Taylor
Chair of the Senate Committee on Labor and Business
900 Court Street, NE
Salem, OR 97301

Dear Chair Taylor:

I am writing on behalf of the Consumer Data Industry Association (CDIA) to express our concern regarding SB 481 related to earned income access services. While we acknowledge the bill's intent to regulate earned wage access (EWA) services, we believe that certain provisions conflict with federal law, specifically the Fair Credit Reporting Act (FCRA).

CDIA represents the consumer reporting industry, including nationwide credit bureaus, regional and specialized credit bureaus, background check companies, and more. Since our founding in 1906, we have promoted the responsible use of consumer data to empower financial opportunities, reduce fraud, and manage risk. Through data analytics, our members facilitate fair and secure transactions, foster competition, and expand consumers' access to tailored financial products.

The FCRA establishes a comprehensive framework for the collection, dissemination, and use of consumer information, including credit reporting. It preempts state laws that are inconsistent with its provisions or that impose additional requirements or prohibitions in areas it expressly regulates. Specifically, the FCRA outlines the duties of data furnishers, including the accuracy and integrity of information provided.

A safe and sound credit economy needs a reliable credit reporting system. Suppression of credit reporting leads to increased inaccurate credit files, reduces the reliability of credit scores, and adds greater risk and uncertainty into the lending process. This is why Congress included language in the federal Fair Credit Reporting Act 15 U.S.C.§ 1681t(b)(1)(F) which preempts "any subject matter regulated under…15 U.S.C .§ 1681s-2, relating to the responsibilities of persons who furnish information to consumer reporting agencies…" The FCRA imposes obligations on

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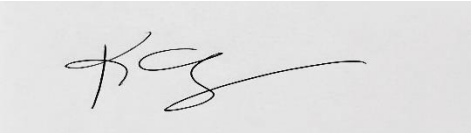
companies (“furnishers”) that provide (“furnish”) information to consumer reporting agencies (“CRAs”). These obligations are in 15 U.S. Code § 1681s–2, responsibilities of furnishers of information to consumer reporting agencies. The FCRA has extensive preemption provisions that prohibit state regulation in many areas of law relating to consumer reporting, including provisions that impact furnishing requirements.

SB 481 includes a provision that prohibits EWA providers from reporting transactions to consumer reporting agencies, which is in direct conflict with FCRA. By prohibiting the reporting of EWA transactions, SB 481 would impede the operation of the federal requirements, leading to a preemption issue and thereby creating legal uncertainties for EWA providers and consumer reporting agencies operating under the FCRA framework.

We respectfully recommend that the Legislature carefully review SB 481 provisions in light of the FCRA's preemption clauses. Thank you for considering our perspective.

Sincerely,



Kris Quigley
Director, State Government Relations

Cc: Honorable Members of the Committee