



Consumer Data Industry Association 1156  
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To: The Honorable Nathan Sosa, Chair  
The Honorable Farrah Chaichi, Vice Chair  
Members of the House Committee on Commerce and Consumer Protection  
From: Kris Quigley, Director of Government Relations, CDIA  
Date: May 15, 2025  
Re: Opposition to SB 605 – Medical Debt

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On behalf of the Consumer Data Industry Association (CDIA), I respectfully write to express our opposition to SB 605. While we share the goal of protecting Oregon consumers, SB 605 introduces state-level restrictions on the use of data in consumer reports that are preempted by the federal Fair Credit Reporting Act (FCRA) and would conflict with national standards essential to maintaining consistent credit markets.

CDIA is the voice of the consumer reporting industry, representing consumer reporting agencies including the nationwide credit bureaus, regional and specialized credit bureaus, background check companies, and others. Founded in 1906, CDIA promotes the responsible use of consumer data to help consumers achieve their financial goals, and to help businesses, governments, and volunteer organizations avoid fraud and manage risk. Through data analytics, CDIA members empower economic opportunity, helping ensure fair and safe transactions for consumers, facilitating competition and expanding consumers' access to financial and other products suited to their unique needs.

The FCRA includes preemption provisions to ensure a consistent national framework for credit reporting. Specifically, 15 U.S.C. § 1681t(b)(1) preempts state laws that relate to the content or use of information in consumer reports. Therefore, SB 605 directly interferes with the content, accuracy, and completeness of credit reports, and falls squarely within the scope of FCRA preemption.

Earlier this month, the Consumer Financial Protection Bureau (CFPB) withdrew its rule that would have removed most medical debt from consumer credit reports. The decision follows a joint motion filed on May 1, 2025, by the CFPB and trade groups to vacate the rule, which had been finalized in January 2025, and aimed to eliminate approximately \$49 billion in medical debt from credit reports. According to the CFPB's notice of withdrawal, certain



provisions in the proposed rule do not align with CFPB's current interpretation of the FCRA and its changed policy objectives. The CFPB stated that the proposed rule would have implemented provisions governing when consumer reporting agencies may furnish, and users may obtain, consumer reports.

By imposing restrictions that deviate from the FCRA's definitions and permissible uses of data, SB 605 would conflict with federal guidance and enforcement expectations. Moreover, it would create legal uncertainty for consumer reporting agencies attempting to navigate inconsistent state and federal rules—potentially chilling the availability of lawful, federally protected data that benefits both consumers and credit providers.

Further, SB 605 could unintentionally limit the availability of credit by reducing the completeness of consumer reports. Lenders and other decision-makers rely on full and accurate data to assess risk and extend fair terms. Suppressing legitimate information—especially information governed by federal law—may harm consumers with thin or emerging credit files, who depend on alternative or non-traditional data to demonstrate creditworthiness.

We respectfully urge the Legislature to defer to federal standards under the FCRA and avoid adopting state-level restrictions that are preempted, conflict with recent CFPB guidance, and risk harming the very consumers they intend to protect. A strong, consistent national credit reporting framework remains the best path toward equitable access to credit, housing, and employment.

Thank you for considering our views. We are committed to working with the Legislature to improve consumer protections in a way that complements, rather than conflicts with, federal law.