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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to allow consumers to request that credit reporting agencies include a statement with their credit reports to indicate they were financially impacted by the COVID-19 pandemic.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That

this resolution may be cited as the “Public Health Emergency Credit Alert Emergency Declaration Resolution of 2022”.

Sec. 2. (a) Shortly after the onset of the COVID-19 pandemic, the Council enacted emergency and temporary legislation to respond to the crisis and provide residents with protections amid uncertainty and the upheaval to daily life. Within these measures, the Council included provisions to require credit reporting agencies to allow consumers to include a statement with their credit reports that indicates they were financially impacted by the COVID-19 pandemic. These provisions protected DC residents by allowing them to include the statement with their credit reports whenever their credit report was requested and prohibited some users of credit reports from considering adverse information that occurred during the protected time period.

33 (b) Data from the Great Recession show that economic recovery is uneven. Black
34 households experienced a much slower recovery following the Great Recession than their
35 white counterparts. During the COVID-19 pandemic, Black and Latino households have
36 been disproportionately affected by the health and economic consequences of the
37 pandemic. If a resident's credit score was negatively impacted due to hardships related to
38 the pandemic, their recovery from the pandemic will be much more difficult. Damage to
39 credit reports makes it harder for consumers to access credit, and it makes credit more
40 expensive. Additionally, landlords can use a tenant's credit score to determine a tenant's
41 fitness when deciding whether to rent them an apartment, and auto and homeowners
42 insurance companies use credit reports in deciding whether to accept an application and
43 what price they will charge.

44 (c) The protections described in subsection were included in the Coronavirus
45 Support Temporary Amendment Act of 2021, which expire on February 4, 2022.
46 Permanent legislation was introduced on December 2, 2021. Emergency legislation is
47 necessary to ensure that the protection remains in effect while the Council considers the
48 permanent measure.

49 (d) Without Council action, credit reporting agencies will no longer be required to
50 include the statement with the credit reports. DC residents have made requests to include
51 these statements with their credit reports. These protections are even more important as
52 time passes and we move further away from the darkest days of the pandemic. Continuity
53 of the legislation will give residents whose credit has been harmed during the pandemic
54 the opportunity to explain negative impacts to their credit score even as the recovery
55 continues.

56 Sec. 3. The Council of the District of Columbia determines that the
57 circumstances enumerated in section 2 constitute emergency circumstances making it
58 necessary that the Public Health Emergency Credit Alert Emergency Amendment Act of
59 2022 must be adopted after a single reading.

60 Sec. 4. This resolution shall take effect immediately.