



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Office of Consumer Protection
News Release

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**Feds Put Companies on Notice About Duty to Investigate
Consumer Credit Report Disputes**

Hawaii Residents Alerted to CFPB Bulletin Affecting Their Credit Reports

HONOLULU – The Department of Commerce and Consumer Affairs' Office of Consumer Protection alerts Hawaii consumers to a Sept. 4, 2013 bulletin from the federal Consumer Financial Protection Bureau (CFPB). The bulletin puts companies who supply information to consumer reporting companies on notice to thoroughly investigate consumer disputes over items in their credit reports. The CFPB's bulletin stressed that these companies known as "furnishers" are responsible by law to investigate consumer disputes forwarded by the consumer reporting companies. Furnishers are also responsible for reviewing all relevant information provided with the disputes, including any documents submitted by the consumer.

Currently consumers may dispute items on their credit reports by reporting the dispute to a consumer credit reporting company. If they do, the credit reporting company ordinarily must inform the furnisher that the consumer has filed a complaint. The consumer reporting company is required to forward all relevant information it has about the dispute to the furnisher. Once the furnisher receives the information, it is required to review it, conduct an investigation, and respond to the consumer reporting company.

The three largest nationwide consumer reporting companies – Equifax Information Services LLC, TransUnion LLC and Experian Information Solutions, Inc. – use an electronic system to forward information about consumer disputes to furnishers. However, in December 2012, the CFPB highlighted the fact that the system did not allow credit reporting companies to forward documents from consumers to the furnisher.

Since then, the CFPB has worked to improve the dispute reporting system. The electronic system was upgraded to allow the three companies to send furnishers any relevant dispute documents sent in by consumers. The CFPB is currently monitoring further improvements in the companies' electronic complaint reporting system.

This week's bulletin details the CFPB's expectations of how furnishers should comply with the requirements of the Fair Credit Reporting Act, particularly with respect to investigations of consumer disputes they receive from consumer reporting companies. The bulletin specifically addresses furnishers' obligation to review all relevant dispute information provided by the consumer reporting companies.

The CFPB expects each furnisher to fulfill its legal obligations by:

- Receiving information and investigating disputes: When a consumer files a dispute about a credit report item, companies need to be able to receive information about the dispute and must investigate the consumer's concerns.
- Providing investigation results: Furnishers must report the results of the investigation to the consumer reporting company that sent the dispute originally.
- Correcting inaccurate information: Furnishers are required to report the results of the investigation to nationwide consumer reporting companies if those companies may have received inaccurate or incomplete credit information. Furnishers also have to modify, delete, or permanently block disputed information that is incomplete, inaccurate, or cannot be verified.

For further information on the CFPB's bulletin, go to http://files.consumerfinance.gov/f/201309_cfpb_bulletin_furnishers.pdf

To submit a complaint to the CFPB, consumers can:

- Go online at www.consumerfinance.gov/Complaint
- Call the toll-free phone number at 1-855-411-CFPB (2372) or TTY/TDD phone number at 1-855-729-CFPB (2372)
- Fax the CFPB at 1-855-237-2392
- Mail a letter to: Consumer Financial Protection Bureau, P.O. Box 4503, Iowa City, Iowa 52244

Hawaii consumers may contact the DCCA's Office of Consumer Protection for further information or assistance by calling 586-2630 on Oahu or through the DCCA's website at: cca.hawaii.gov/OCP.

Neighbor Islands residents can call toll-free:

KAUAI 274-3141, enter five digit extension code 73222.
MAUI 984-2400, enter five digit extension code 73222.
HAWAII 974-4000, enter five digit extension code 73222.
MOLOKAI & LANAI 1-800-468-4644, enter five digit extension code 73222

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