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8584 Katy Freeway, Suite 420

Houston, TX 77024

Phone: 713-871-0005

Fax: 713-871-1358

**Partners**

Thomas E. Black, Jr.<sup>1</sup>

Gregory S. Graham<sup>2</sup>

Shawn P. Black<sup>3</sup>

**Managing Attorney Houston**

Ryan Black<sup>4</sup>

**Senior Lawyers**

David F. Dulock

Diane M. Gleason

Daniel S. Engle<sup>3</sup>

Margaret Noles

**Associates**

Nick Stevens

Syndy Davis

Brandon Pieratt

**Of Counsel**

David M. Tritter

Calvin C. Mann, Jr.

**Retired Partner(s)**

Calvin C. Mann, Jr.

<sup>1</sup> Also Licensed in Iowa, New York, and Washington

<sup>2</sup> Also Licensed in Georgia

<sup>3</sup> Also Licensed in New York

<sup>4</sup> Also Licensed in Washington D.C.

**To:** Clients and Friends

**From:** David F. Dulock

**Subject:** Credit Reporting Protection for Consumers During COVID-19 Pandemic

On March 27, 2020, the President signed into law the CARES Act (Public Law No. 116-136). Section 4021 of the Act amends Section 623(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)(1)) to provide certain credit reporting protect for consumers affected by COVID-19. The text of Section 4021 is reprinted below for your information and use:

**SEC. 4021. CREDIT PROTECTION DURING COVID-19.**

Section 623(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)(1)) is amended by adding at the end the following:

“(F) REPORTING INFORMATION DURING COVID-19 PANDEMIC.—

“(i) DEFINITIONS.—In this subsection:

“(I) ACCOMMODATION.—The term ‘accommodation’ includes an agreement to defer 1 or more payments, make a partial payment, forbear any delinquent amounts, modify a loan or contract, or any other assistance or relief granted to a consumer who is affected by the coronavirus disease 2019 (COVID-19) pandemic during the covered period.

“(II) COVERED PERIOD.—The term ‘covered period’ means the period beginning on January 31, 2020 and ending on the later of—

“(aa) 120 days after the date of enactment of this subparagraph; or

“(bb) 120 days after the date on which the national emergency concerning the novel coronavirus disease (COVID-19) outbreak declared by the President on March 13, 2020 under the National Emergencies Act (50 U.S.C. 1601 et seq.) terminates.

“(ii) REPORTING.—Except as provided in clause (iii), if a furnisher makes an accommodation with respect to 1 or more payments on a credit obligation or account of a consumer, and the consumer makes the payments or is not required to make 1 or more payments pursuant to the accommodation, the furnisher shall—

“(I) report the credit obligation or account as current; or

“(II) if the credit obligation or account was delinquent before the accommodation—

“(aa) maintain the delinquent status during the period in which the accommodation is in effect; and

“(bb) if the consumer brings the credit obligation or account current during the period described in item (aa), report the credit obligation or account as current.

“(iii) EXCEPTION.—Clause (ii) shall not apply with respect to a credit obligation or account of a consumer that has been charged-off.”.

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