

Credit Reporting Accuracy After a Legal Name Change Act

BACKGROUND

Transgender and nonbinary people disproportionately face significant issues obtaining accurate credit reports and scores after legally changing their names. When someone changes their first name, credit bureaus do not reconcile information that creditors and other information furnishers provide in the new name.

As a result, when a trans or nonbinary person changes their name with a creditor or applies for credit using their current name, the credit bureaus create an entirely new credit file. Thus, their credit report fragments into two or more unconnected files and any credit actions that follow are never reflected in their report. This fragmentation directly contributes to negative impacts in individual's financial and personal lives, often including credit score decreases of 100 points or more, which can be a barrier to accessing banking services, mortgages, auto financing, employment, and rental housing. Additionally, even if trans or nonbinary consumers are able to update their existing credit file with their new name, their credit report continues to disclose their dead name. This can expose those consumers to discrimination or harassment in credit, housing, or employment.

CREDIT REPORTING ACCURACY AFTER A LEGAL NAME CHANGE ACT

In light of the evidence that transgender and nonbinary people face severe adverse effects from having their dead name reflected on their credit report, Congresswoman Pressley's *Credit Reporting Accuracy After a Legal Name Change Act* would prohibit the nationwide credit reporting agencies from including a consumer's former name on their credit report following a legal name change. Specifically, this bill:

1. Amends the Fair Credit Reporting Act to ensure that consumer reporting agencies only use a person's current legal name in consumer reports.
2. Expresses a Sense of Congress that the Consumer Financial Protection Bureau should take measures to address the problems transgender and nonbinary consumers face after they change their legal names.

Endorsements: MassEquality, American Civil Liberties Union, California Employment Lawyers Association, Center for LGBTQ Economic Advancement & Research, CenterLink: The Community of LGBTQ Centers, CR (formerly Consumer Reports), Equality California, GLBTQ Legal Advocates & Defenders, Human Rights Campaign, Lambda Legal, National Center for Lesbian Rights, National Center for Transgender Equality, National Consumer Law Center, National LGBTQ Task Force, Transgender Law Center, Transgender Legal Defense and Education Fund, and UC Berkeley School of Law, Center for Consumer Law and Economic Justice.