

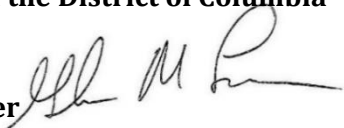
Government of the District of Columbia  
Office of the Chief Financial Officer



**Glen Lee**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Glen Lee  
Chief Financial Officer 

**DATE:** September 18, 2023

**SUBJECT:** Fiscal Impact Statement – Public Health Emergency Credit Alert  
Amendment Act of 2023

**REFERENCE:** Bill 25-118, Draft Bill as provided to the Office of Revenue Analysis on  
August 30, 2023

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**Conclusion**

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill.

**Background**

Under emergency legislation,<sup>1</sup> the District allows an individual to write a personal statement, in good faith, to credit reporting agencies during a declared public health emergency indicating that the individual is experiencing financial hardships as a direct result of the declared public health emergency. The legislation also requires credit reporting agencies to maintain the personal statement and provide it to any entity that receives a copy of the individual's credit report.<sup>2</sup> If an individual provides a personal statement to a credit reporting agency or directly to the recipient of the credit report indicating financial hardship, then the recipient of the credit report is prohibited from considering adverse information derived from the financial hardship. Credit reporting agencies must also notify a District resident of their right to include a personal statement when they request a copy of their own credit report.

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<sup>1</sup> Public Health Emergency Credit Alert Emergency Amendment Act of 2023, enacted July 31, 2023 (D.C. Act 25-189; 70 DCR 10718).

<sup>2</sup> Federal credit unions (12 U.S.C. § 1752(1)), national banks (12 U.S.C. § 25b(a)(1)), and federal savings associations (12 U.S.C. § 1462(3)) are exempt from this requirement unless 12 U.S.C. § 25b(b)(2) applies.

The Honorable Phil Mendelson

FIS: Bill 25-118, "Public Health Emergency Credit Alert Amendment Act of 2023," Draft bill as provided to the Office of Revenue Analysis on August 30, 2023

The Attorney General can seek injunctive relief on behalf of a consumer, including civil penalties of up to \$1,000 for each infraction and reasonable costs and fees.

The bill makes these changes permanent and updates the definition of a credit report. The bill ensures that any written, oral, or other communication submitted to a credit reporting agency are considered part of a credit report.

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. There is no impact on the District's budget or financial plan to allow individuals to submit a personal statement to credit reporting agencies related to financial hardships caused by a declared public health emergency. Credit reporting agencies must currently comply with the bill's requirements under emergency legislation.