

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

August 9, 2022

The Honorable Rohit Chopra
Director
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Director Chopra:

I and the American public are alarmed at recent news reporting that Equifax provided inaccurate credit scores for potentially millions of consumers to numerous financial institutions relating to their credit applications.¹ The report quotes one Equifax executive, who said, “[I]nitial analysis indicates that only a small number of them may have received a different credit decision,”² and the CEO saying, “The impact is going to be quite small, not something that’s meaningful to Equifax.”³ Equifax’s latest egregious abuse of consumers and its leadership’s team’s efforts to downplay the harm is yet another example of harm caused by what is quickly becoming a recidivist bad actor, and I urge you to use the full extent of your authority to hold Equifax and its leadership accountable.

This incident comes five years after Equifax announced one of the largest data breaches in the history of our country, exposing the personal information of more than 147 million individuals, which I invited Equifax’s CEO to testify before the House Financial Services Committee in 2019 to discuss.⁴ The Consumer Financial Protection Bureau (CFPB), along with the Federal Trade Commission (FTC), and 48 states, the District of Columbia, and Puerto Rico announced a global settlement with Equifax on July 22, 2019 that required the company pay up to \$700 million in monetary relief and penalties.⁵

Furthermore, the CFPB took another enforcement action against Equifax in 2017 for violating several consumer financial protection laws for deceiving consumers about the value of the credit scores they sold, deceiving consumers into enrolling in subscription programs, and engaging in illegal advertising practices.⁶ CFPB required the company to provide about \$3.8 million in restitution to harmed consumers, along with a \$2.5 million civil money penalty.⁷

¹ Andrew Ackerman and AnnaMaria Andriotis, [Equifax Sent Lenders Inaccurate Credit Scores on Millions of Consumers](#), Wall Street Journal (Aug. 2, 2022).

² *Id.*

³ *Id.*

⁴ House Financial Services Committee (FSC) hearing entitled, [Who's Keeping Score? Holding Credit Bureaus Accountable and Repairing a Broken System](#) (Feb. 26, 2019);

⁵ CFPB, [CFPB, FTC and States Announce Settlement with Equifax Over 2017 Data Breach](#) (Jul. 22, 2019).

⁶ CFPB, [CFPB Orders TransUnion and Equifax to Pay for Deceiving Consumers in Marketing Credit Scores and Credit Products](#) (Jan. 3, 2017).

⁷ *Id.*

Based on Equifax’s initial actions in response to this matter, I am deeply concerned that not all harmed consumers will be promptly identified, notified, or made whole. Moreover, Equifax’s repeated violations of law that have also resulted in consumer harm warrant a more robust enforcement action, instead of the typical regulatory fine that amounts to the cost of doing business.

Therefore, I intend to utilize all tools available to me as Chairwoman of the House Financial Services Committee to ensure harmed consumers are promptly made whole and to protect consumers from our broken consumer credit reporting system going forward. I urge you to do the same.

In this instance, I urge you to not only ensure that all harmed consumers are promptly identified, notified, and made whole, but to utilize your authority⁸ as Director to impose a moratorium on Equifax providing any credit scores to financial institutions until they can demonstrate to your satisfaction that they have the necessary systems and controls to ensure each credit score they provide on millions of consumers is verified to be accurate *before* distributing them to financial institutions. I appreciate your attention on this matter, and I look forward to your response.

Sincerely,



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Chairwoman

CC: The Honorable Patrick McHenry

⁸ For example, the CFPB has authority pursuant to 12 U.S.C. §5565(a)(2)(G) to seek “limits on the activities or functions” of a firm for violations of statutes, regulations, and orders, which is a point you have highlighted in past remarks. For example, see The Honorable Rohit Chopra, [‘Reining in Repeat Offenders’: 2022 Distinguished Lecture on Regulation, University of Pennsylvania Law School](#) (Mar. 28, 2022).