

**SUPPORTING STATEMENT FOR  
PROHIBITION OF INCLUSION OF ADVERSE INFORMATION IN  
CONSUMER REPORTING IN CASES OF HUMAN TRAFFICKING  
(REGULATION V) NPRM  
RIN: 3170-AB12  
OMB CONTROL NO. 3170-0002**

**A. JUSTIFICATION**

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The Dodd-Frank Wall Street Reform and Consumer Protection Act, P.L. 111-203, 124 Stat. 1376 (2010) (Dodd-Frank Act) transferred rulemaking authority for most provisions of the Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681 et seq., to the Bureau of Consumer Financial Protection (CFPB), effective July 21, 2011.

Section 1088 of the Dodd-Frank Act, read in combination of Section 1061, amends the FCRA to vest the CFPB with rulemaking authority over most provisions of the FCRA, excepting providing rulemaking authority over certain motor vehicle dealers engaged primarily in the sale and servicing of motor vehicles, the leasing and servicing of motor vehicles, or both. The Dodd-Frank Act also provided the CFPB with enforcement authority over certain institutions that have been under the jurisdiction of other agencies.

Section 1088 of the Dodd-Frank Act states that the CFPB “shall prescribe such regulations as are necessary to carry out the purposes of this title, except with respect to sections 615(e) and 628 [of the FCRA],” and therefore on December 21, 2011, the CFPB issued an interim final rule (76 FR 79308) establishing the CFPB’s Regulation V (12 C.F.R. § 1022). The new Regulation V assembles applicable regulations, commentary, and model notices formerly promulgated by the transferor agencies, with minor revisions to reflect accurate references and contact information.

Accordingly, the CFPB requests approval from the Office of Management and Budget (OMB) to continue requiring the disclosures described within Regulation V from certain populations over which the CFPB now has enforcement authority.

The Bureau is currently proposing several amendments to Regulation V to implement new section 605C of the Fair Credit Reporting Act (FCRA), added by the National Defense Authorization Act for Fiscal Year 2022 (2022 NDAA). In brief, section 605C provides that a “consumer reporting agency may not furnish a consumer report containing any adverse item of information about a consumer that resulted from a

severe form of trafficking in persons or sex trafficking if the consumer has provided trafficking documentation to the consumer reporting agency.” The proposed rule implements that prohibition in proposed section 1022.142 by establishing a method for consumers to submit the required documentation to consumer reporting agencies, creating obligations on consumer reporting agencies to act on trafficking documentation submitted by consumers, and requiring recordkeeping and policies and procedures requirements to facilitate compliance. By statute, the Bureau is required to issue a final rule implementing section 605C by June 25, 2022. The Bureau is proposing the final rule is effective 30 days after its issuance which is the same effective date of the statute.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The consumer disclosures included in Regulation V are designed alert consumers that a financial institution furnished negative information about them to a consumer reporting agency, that they have a right to opt out of receiving marketing materials and credit or insurance offers, that their credit report was used in setting the material terms of credit that may be less favorable than the terms offered to consumers with better credit histories, that they maintain certain rights with respect to a theft of their identity that they reported to a consumer reporting agency, that they maintain rights with respect to knowing what is in their consumer reporting agency file, that they can request a free credit report, and that they can report a theft of their identity to the CFPB. Consumers then can use the information provided to consider how and when to check and use their credit reports.

The information collections in the proposed rule are designed to implement section 605C by providing a method for consumer reporting agencies to collect documentation submitted by consumers establishing that the consumer is a victim of trafficking and identifying adverse items of information that should no longer be furnished under the statute. The recordkeeping and policies and procedures requirements for consumer reporting agencies are designed to ensure compliance with section 605C’s prohibition.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

Consistent with the aims of the Government Paperwork Elimination Act, PL 105-277, Title XVII, 112 Stat. 2681-749, 44 U.S.C. § 3504 note, the forms allow creditors to use applicable technologies to reduce compliance costs. Financial institutions may use any existing technology relevant to producing the notice, obtaining the consumer opt out determination, and maintaining records of the notice and opt out determination.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.**

There is no duplication. The information is not available from any other source. This regulation is also enforced by other agencies under the following control numbers:

Agency Name	OMB Control Number
Federal Reserve System (FRS)	7100-0308
Federal Trade Commission (FTC)	3084-0144
Commodities Futures Trading Commission (CFTC)	3038-0067
National Credit Union Administration <sup>1</sup>	3133-0165
Office of Comptroller of the Currency	1557-0230
Federal Deposit Insurance Corporation <sup>2</sup>	3064-0161

However, each of these agencies is responsible for different regulated entities and these collections do not overlap, so there is no duplication of the information collections.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

Regulation V includes model notices that businesses may use to comply with regulatory requirements, and which are very similar or identical to previous model notices circulated by the FRS, the FDIC, the NCUA, and the OCC, the CFTC, and the FTC. By minimizing the proposed alterations to model forms, the CFPB has sought to help businesses of all sizes reduce the burden or inconvenience of complying with the amendments to the regulations.

**6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The frequency of the disclosure requirements contained in Regulation V are transactional based (on occasion). Less frequent disclosures would reduce the protections to consumers that were contemplated by FCRA and Regulation V. The burden of complying is, however, diminished by the provision of model notices and that creditors may continue to use previous versions of the model notices.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

<sup>1</sup> this collection has been submitted to OMB and is pending approval.

<sup>2</sup> This collection is only for the dispute resolution procedures of Regulation V

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The collections of information in Regulation V are consistent with the applicable guidelines contained in 5 C.F.R. § 1320.5(d)(2).

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

In accordance with 44 USC 3506(c)(2)(A), the Bureau published a notice allowing the public 60 days to comment on the proposed collection of information<sup>3</sup>.

The NPRM<sup>4</sup> also requests comments for 30 days concurrent with the aforementioned notice.

**9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.**

Not applicable. This information collection does not provide payments or gifts to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Not applicable. No assurance of confidentiality is necessary because the CFPB does not collect any information under this collection.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

Not applicable. The CFPB does not collect any information under this collection, therefore, no sensitive or personally identifying information is collected by the CFPB resulting from these requirements.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**

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<sup>3</sup> 87 FR 22873 (4/18/2022).

<sup>4</sup> 87 FR 20771 (4/8/2022).

- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The Bureau estimates the burden of this information collection as follows:

Information Collection Requirement	No. of Respondents	Estimated Total Annual Responses	Average Response Time (hours)	Total Burden Hours	Estimated CFPB share of responses	Estimated CFPB share hours	Average Hourly Rate (USD)	CFPB Labor Cost (USD) <sup>1</sup>
Pre-employment Screening Disclosures	744,400	163,000,000	.0167	2,717,000	81,500,000	1,358,500	0	0 <sup>2</sup>
Adverse Action Notices	762,800	175,000,000	.0167	2,916,667	87,500,000	1,458,334	22.75	33,177,000
Investigative Procurement Disclosures	626	50,000	.5	25,000	25,000	12,500	24.49	306,000
Mortgage Application Score Disclosures	18,000	9,900,000	.00833	82,500	4,950,000	41,250	30.31	1,250,000
Risk-based Pricing Notices	8,000	39,150,000	.00833	326,000	19,575,000	163,000	19.02	3,100,000
Pre-screen Opt-out Notices	***	****	0	0	***	0	0	0 <sup>2</sup>
Unsolicited Offer Opt-outs	47	5,765,900	0	0	2,882,950	0	0	0 <sup>2</sup>
Affiliate Marketing Notices	***	***	0	0	***	0	0	0 <sup>2</sup>
Fraud Alerts	3	448,800	.167	74,800	224,400	37,400	16.23	607,000
Information Block Requests	3	255,200	.117	29,800	127,600	14,900	16.23	242,000
Coordination of Complaints	3	3	88	264	3	132	33.71	4,000
Credit Scores and Reports	3	42,400,000	.0167	700,000	21,200,000,	350,000	0	0 <sup>2</sup>
Disputes with CRAs	16,247	37,478,000	.15	5,621,700	18,739,000	2,811,000	16.23	45,623,000
Disputes with Furnishers	***	***	0	0	***	0	0	0 <sup>2</sup>
Furnisher Negative Information Disclosures	16,000	174,000,000	0	0	87,000,000	0	0	0 <sup>2</sup>
Reseller Permissible Purpose Disclosure	***	***	0	0	***	0	0	0 <sup>2</sup>
Block requests and required disclosures	****	****	. ****	****	****	0	0	0
Trafficking-related policies and	***	***	0	0	***	0	0	0 <sup>2</sup>

Information Collection Requirement	No. of Respondents	Estimated Total Annual Responses	Average Response Time (hours)	Total Burden Hours	Estimated CFPB share of responses	Estimated CFPB share hours	Average Hourly Rate (USD)	CFPB Labor Cost (USD) <sup>1</sup>
procedures								
Trafficking-related block recordkeeping	****	****	****	****	***	0	0	0
<b>Totals:</b>	<b>779,023</b>	<b>647,703,103</b>		<b>12,493,732</b>	<b>323,723,953.5</b>	<b>6,268,665</b>		<b>\$84,309,000</b>

Employment related consumer report disclosure requirements

*Employment screening disclosure and consent*

Before a consumer reporting agency (CRA) may furnish a consumer report for employment purposes, the person who requests the report from the agency shall disclose to the consumer, in writing on a document that consists solely of the disclosure, their intention to obtain the consumer report for employment purposes and receive authorization from the consumer, in writing, to procure that report. If a consumer applies for employment by mail, telephone, computer, or other similar means, the person requesting the report may provide this disclosure and receive consent from the consumer using one of these methods.

The Bureau estimates that there are 8.2 million positions hired annually at companies where the employer has procured each candidate’s consumer report. The Bureau assumes that each opening results in 20 completed applications, on average. Therefore, the Bureau estimates that there are approximately 163 million consumers receiving pre-employment screening disclosures each year. If each consumer spends 1 minute, on average, to read the notice and authorize the prospective employer to procure their consumer report, the annual burden of these notices on consumers is approximately 2.7 million hours annually. The Bureau does not attribute any time burden to employers since these notices are standardized. Therefore, the burden of sending these notices should be minimal.

*Adverse action disclosure*

Before a potential employer takes any adverse action based in whole or in part on information contained in a consumer report, the potential employer shall provide a copy of the report and a description of the rights of the consumer as prescribed by the Bureau. The Bureau assumes that 10 percent of the approximately 163 million applications are rejected as a result of information contained in a consumer report, resulting in 16,300,000 adverse action disclosures.

Outside of employment, if any other person takes an adverse action based in whole or in part on information contained in a consumer report, that person must also provide a copy of the report and description of the rights of the consumer as prescribed

by the Bureau. This requirement applies to any decision based on information in a consumer report, including but not limited to credit transactions, insurance transactions, and tenant screenings. The Bureau estimates that 34 percent of applications result in an adverse action, requiring notice. The Bureau estimates that there are 466.7 million annual inquiries outside of employment screenings. Therefore, there are approximately 158.7 million adverse action notices provided to consumers outside of employment screenings annually.

Therefore, the total adverse action notices are 16.3 million from employment applications and 158.7 million otherwise, resulting in 175 million total notices. Each notice is assumed to take 1 minutes to send out, yielding 2,916,667 burden hours. The Bureau applies a wage rate of \$22.75 and assumes half of this burden, giving a total annual burden of \$33,177,087.

#### *Investigation disclosure*

Prior to a consumer report being furnished for an investigation, the person procuring the investigative consumer report shall certify to the CRA supplying the report that the consumer whose report is being furnished has or will receive a disclosure in writing. This disclosure will include a statement informing the consumer of the request and of the consumer's right to request additional information on the nature and scope of the investigation and the summary of consumer rights under 15 U.S.C. 1681g. If a consumer requests the additional information, the person procuring the investigative consumer report must provide this additional disclosure to the consumer in writing.

The Bureau estimates that there are 1 million investigative inquiries made annually. Given that the notice is standardized, the Bureau believes that sending these disclosures results in minimal time burden. The Bureau assumes that the large majority of consumers for whom an investigative report is being procured are aware of the investigation, and therefore a small number of consumers request additional information. If 5 percent of consumers request additional information regarding the nature and scope of the investigation and each subsequent disclosure takes 30 minutes to draft, then the annual burden as a result of these disclosures is approximately 25,000 hours and, allocating half to the Bureau, the annual labor cost is approximately \$306,125.

#### *Mortgage application credit score disclosure*

Any person who uses a consumer credit score in connection with a consumer application for a mortgage loan secured by 1 to 4 units of residential real property must provide certain information to the consumer. This information must include a disclosure of the credit score used, the range of possible credit scores under the model that was used, all of the key factors that adversely affected the credit score of the consumer, the date on which the credit score was created, and the name of the person or entity that provided the score or file upon which the score was created. The consumer must also receive a notice to home loan applicants that is prescribed in 15 U.S.C. 1681g.



The Bureau estimates that there are 9.9 million applications for mortgage loans annually which trigger the need for a disclosure to consumers. The Bureau provides model forms for lenders to use for this disclosure and the process of generating loan terms is generally automated, therefore the time burden of providing this disclosure is small. If each disclosure takes, on average, 30 seconds to modify for each consumer's situation, and the Bureau assumes half the burden, then the annual burden on mortgage lenders is approximately 41,250 hours and annual labor costs total approximately \$1.25 million.

#### *Risk-based pricing disclosure*

Any person that (1) uses a consumer report in connection with an application for, or a grant, extension, or other provision of, credit to a consumer that is primarily for personal, family, or household purposes; and (2) provides credit to that consumer on material terms that are materially less favorable than the most favorable terms that it makes available to a substantial number of consumers, must provide the consumer with a risk-based pricing notice. Creditors must determine whether the terms that are offered to a consumer result in a significantly greater cost of credit by comparing the terms offered to other consumers for a specific credit product, or by using a credit score proxy method or a tiered pricing method as prescribed under Regulation V Section 1022.72. If a person uses a consumer report to review an extension of credit made to the consumer and based on that consumer report increases the annual percentage rate on the consumer's account, that entity must also provide a risk-based pricing notice.

A person is not required to provide a risk-based pricing notice if the consumer applies for specific material terms and is granted those terms as long as the material term is specified before the consumer applied for or requested credit. Similarly, a creditor is not required to provide the risk-based pricing notice to a consumer who receives a firm offer of credit from a prescreened solicitation, so long as that consumer is offered a specific material term. If a creditor provides the consumer with an adverse action notice, then the creditor is not required to provide a risk-based pricing notice. In addition, a creditor that is extending credit secured by a 1-4 family residential property is not required to provide a risk-based pricing notice, but must provide a separate credit score notice to any consumer whose credit report is used in the application (see discussion above).

The Bureau estimates that there are 174 million account openings that are potentially subject to risk-based pricing notices annually. Of these accounts, the Bureau estimates that 45 percent are opened by consumers with FICO scores below 700 and would potentially receive lesser terms. The Bureau does not have data available to estimate the number of opened accounts for which material terms were specified in advance. Therefore, the Bureau assumes that 50 percent of these new accounts resulted in a risk-based pricing notice. The Bureau is requesting comment on this assumption and data to improve this estimate. The Bureau estimates that 40 million accounts are opened with terms that are materially less favorable than the most favorable terms and result in a consumer receiving a risk-based pricing notice. The Bureau assumes that the large majority of creditors use systems which automatically populate these notices. However, some creditors may modify notices manually. If each disclosure takes, on average, 30

seconds to modify for each consumer's situation, and the Bureau assumes half the total burden, then the annual burden on creditors is approximately 163,000 hours and annual labor costs total approximately \$3.1 million.

## Consumer solicitation disclosure and opt-out requirements

### *Pre-screen opt out notice*

Any person who uses a consumer report in connection with any credit or insurance transaction that is not initiated by the consumer shall provide with each written solicitation made to the consumer two notices. The first notice, referred to as the "short notice", shall state that the consumer has the right to opt out of receiving prescreened solicitations. It shall also provide a telephone number, maintained by the CRAs, that the consumer can call to opt out of these solicitations. The short notice shall also direct the consumer to the existence and location of the second notice referred to as the "long notice." The long notice shall state that: information in the consumer's consumer report was used in connection with the transaction; the consumer received the offer because the consumer satisfied the selection criteria; the credit or insurance may not be extended if the consumer does not meet the selection criteria after the consumer responds to the offer (if applicable); the consumer has a right to prohibit the use of their file for unsolicited offers; and the consumer may exercise their right to prohibit unsolicited offers by notifying the CRA using a notification system that the CRA is required to establish and maintain. Any person who makes an offer of credit or insurance in this way must also maintain on file the criteria that was used to select the consumer to receive the offer and criteria that may be used for determining whether or not to extend credit or insurance pursuant to the offer.

The Bureau assumes that the burden related to providing the short notice and long notice is minimal. The notices are standardized, small, and may be included on the same page as other information provided by the offeror. Therefore, these notices should take minimal time to include when designing an offer and rarely result in increased materials costs. The Bureau believes that the notification system used by CRAs to receive requests from consumers to prohibit unsolicited offers consists largely of a website and an automated phone line. The Bureau assumes that the time burden associated with these systems is minimal. The Bureau believes that companies using prescreened solicitation advertising campaigns likely maintain the selection criteria and offer criteria in their usual course of business for operations and marketing research, therefore the Bureau assumes that the maintenance of this information does not result in additional burden. The Bureau is seeking comment on these assumptions.

### *Unsolicited offer opt-out systems*

Consumer reporting agencies must maintain notification systems permitting consumers to elect to be excluded from unsolicited credit and insurance transactions. CRAs that operate nationwide must maintain such a system jointly with other CRAs. These systems must include a toll-free number that consumers may call to make a request to be excluded. When a CRA receives notification from a consumer through the notification

system it maintains, it shall inform the consumer that the election is effective for a 5-year period if the consumer does not sign a notice of election form, and it shall provide a form to any consumer that requests one.

The Bureau estimates that 6 percent of consumers have elected to opt out of unsolicited offers. Taking into account population growth, in order for the percentage of opted-out consumers to remain constant, approximately 5.8 million opt-outs would have to take place annually. The Bureau assumes that 50 percent of consumers opt out electronically and that the other 50 percent of consumers opt out via an automated phone system. It is possible that some consumers mail their election to opt-out, but the Bureau assumes that the number of such instances is negligible. The Bureau believes that the maintenance of opt-out websites and automated phone systems result in minimal time burden for CRAs.

#### *Affiliate marketing opt-out disclosure*

Before making a solicitation to a consumer based on eligibility information obtained from an affiliate, a consumer must receive a clear and conspicuous disclosure that the person may use information provided by the affiliate for the purposes of making solicitations to the consumer. The consumer must also be provided a reasonable opportunity and a reasonable and simple method to prohibit the use of their eligibility information in this way. The notice must be provided by an affiliate that has or has previously had a pre-existing business relationship with the consumer, or as part of a joint notice from members of an affiliated group, provided that at least one of the affiliates has or has previously had a pre-existing business relationship with the consumer. A consumer who opts out of receiving solicitations from a group of affiliates is granted an opt-out period of at least 5 years. A consumer who is opted out must be given an opportunity to renew their opt-out status before their election expires.

The Bureau believes that affiliate marketing notices are generally included with account opening agreements. Affiliate marketing notices are sometimes included with the initial and annual privacy notice. In other instances, the notice may be a standalone document. However, the Bureau believes that the notice is rarely sent to a consumer by itself. Given that there exist model forms for affiliate marketing notices and the notices themselves are generally sent along with other disclosures, the Bureau assumes that the time burden required to provide these forms is minimal. The Bureau is seeking comment on this assumption and data to better estimate the impact of this requirement.

Identity theft and fraud reporting, recordkeeping, and disclosure requirements

#### *Fraud reporting and required disclosures*

Consumer reporting agencies must maintain policies and procedures to allow consumers to report suspected identity theft and fraudulent activity. Upon verifying the identity of a consumer who has alerted a CRA of potential fraud, a CRA shall include fraud alerts with any credit score generated for that consumer for a time period specified by the type of request, refer the information regarding the fraud alert to the other CRAs, disclose to the consumer that they may request a free copy of their consumer report, and provide the

summary of consumer rights disclosure and the summary of rights of identity theft victims disclosure required under 15 U.S.C. 1681(g).

The Bureau estimates that 1 million consumers contact CRAs requesting fraud alerts annually. The Bureau estimates that 407,200 of these alerts are received online, 126,000 alerts are received by telephone, and 436,200 of these alerts are received in the mail or by some other means. The Bureau assumes that alerts received online are sufficiently automated so that the time burden is minimal. The Bureau believes that most fraud alerts (90 percent) received by telephone are handled by an automated phone system and result in minimal time burden for CRAs. However, the remaining alerts received by phone and through other channels will require significant personnel time, which the Bureau assumes will result in an average burden of 10 minutes per alert. Therefore, the Bureau estimates a total of 448,800 responses taking 10 minutes each, totaling 74,800 hours. The Bureau assigns itself half the burden, equaling 37,400 hours of burden to CRAs annually and \$607,000 in annual labor costs.

#### *Information block requests*

Upon receipt of a request from a consumer to block information resulting from identity theft from being included in a consumer report, a CRA shall promptly notify the furnisher of the information identified by the consumer that the information may be the result of identity theft, that a report has been filed, and that a block has been requested along with the effective dates for the block. If a CRA decides to decline or rescind a block of information, the CRA shall promptly notify the affected consumer in writing. The CRA shall include the business name, address, and telephone number of any furnisher that was contacted in connection with the decision to decline or rescind the block of information, and a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy or completeness of the disputed information.

The Bureau estimates that approximately 255,200 consumers make requests to block information annually. The Bureau assumes that 80 percent of consumers make block requests online and 20 percent make block requests in writing. The Bureau assumes that each request to block information takes, on average, 5 minutes if requested online, and 15 minutes if requested by mail. Therefore, the Bureau estimates that consumer requests to block information result in 29,800 total hours of burden annually. The Bureau assigns to itself half of the burden, totaling 14,900 hours and \$241,827 in annual labor costs.

#### *Fraud related consumer complaints recordkeeping and annual report*

Each nationwide CRA must submit an annual summary report to the Bureau on consumer complaints received by the agency on identity theft or fraud alerts. The Bureau believes that the mechanism to track complaints has already been established and results in minimal annual burden. The Bureau assumes that each of the 3 nationwide CRAs commits, on average, 80 hours of compliance officer time to draft each report and 8 hours of lawyer time for review. Therefore, the Bureau estimates that these annual reports result in 264 hours of burden and \$8,900 of labor costs annually. Of this, the CFPB share is 132 burden hours for \$4,450 of labor costs annually.

## Credit score, consumer report, and disclosure requirements

### *Consumer report disclosure*

Upon the request of a consumer, a CRA shall disclose to the consumer all of the information in that consumer's file at the time of the request; the sources of information in the consumer's file; a list of each person that procured a consumer report for a specified period in advance of the request (depending on the purpose for that report) including each person's address and telephone number; the dates, original payees, and amounts of any checks upon which any adverse characterization of the consumer is based; a record of all inquiries received by the agency in the previous year that identified the consumer in connection with a transaction that was not initiated by the consumer; and, if the consumer requests the credit file and not the credit score, a statement that the consumer may request and obtain the credit score. The CRA must also include the summary of consumer rights under 15 U.S.C. 1681g.

### *Credit score disclosure*

Upon request, a CRA shall supply a consumer with their current credit score (or the most recent credit score that was previously calculated for a purpose related to the extension of credit), the range of possible credit scores under the model used, all of the key factors that adversely affected to consumer's credit score, the date on which the score was created, the name of the entity that provided the score or the file upon which the score was created, and a statement indicating that the information and scoring model may be different than the credit score that may be used by a lender. A CRA may charge a fair and reasonable fee to the consumer for providing this information.

### *Free credit scores and reports*

All nationwide CRAs, upon the request of a consumer, must make all disclosures pursuant to 15 U.S.C. § 1681g once during any 12-month period free of charge. The nationwide CRAs maintain a centralized source for consumers to make these requests. Consumers may make requests through the centralized website, a dedicated toll-free phone number, or a mailing address. Consumers may also receive these disclosures without charge under other circumstances, including after a consumer receives an adverse action, in connection with a fraud alert, after notification from a debt collector that the consumer's credit rating may or has been adversely affected, during a period of unemployment, during a period where the consumer is a recipient of public welfare, or if the consumer has reason to believe that the file contains inaccurate information due to fraud.

The Bureau estimates that consumers request approximately 43.4 million credit reports and credit scores annually. Approximately 16 million are at no cost to the consumer, due to the annual free report requirement or one of the special circumstances described above. Approximately 26 million are paid for by the consumer or a reseller. The Bureau assumes that the large majority (90 percent) of such requests is made online, and the remainder is made through an automated phone line. Furthermore, the Bureau

assumes that the delivery of these disclosures following a consumer request is a highly automated process. The Bureau assumes that the time burden of maintaining this system is minimal.

#### *Dispute resolution and disclosure requirements*

##### *Disputes handled by consumer reporting agencies*

Consumer reporting agencies, upon receiving a notice of dispute from a consumer, shall conduct an investigation with respect to the disputed information. If the CRA determines that the dispute is frivolous or irrelevant, then it shall notify the consumer of the determination, the reasons for the determination, and any information required to investigate the disputed information. If the CRA is unable to make a determination, the CRA shall promptly notify the furnisher of the dispute and provide the furnisher with information related to the dispute. The furnisher is then tasked with making a determination and notifying the CRA of that determination. Once a final determination has been reached, the CRA shall notify the consumer that the investigation is complete and include in that notification a consumer report that is based on the consumer's revised file; a notice that, if requested by the consumer, a description of the procedure used to make the determination can be provided by the CRA; a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy and completeness of the information; and a notice that the consumer has the right to request that the CRA furnish notification of deleted information to persons specified by the consumer within time periods specified in 15 U.S.C. 1681i.

##### *Disputes handled by furnishers*

Furnishers of information to CRAs, upon receiving a notice of dispute from a consumer, shall conduct an investigation with respect to the disputed information; review all relevant information provided by the consumer; report the results of the investigation to the consumer; and, if the investigation finds that the information reported was inaccurate, modify, delete, or permanently block the reporting of that information; and promptly notify each CRA to which the person furnished the inaccurate information. If a furnisher determines that the dispute is frivolous or irrelevant, the furnisher shall notify the consumer by mail (or other means if authorized by the consumer) and include with that notification the reasons for the determination and identification of any information required to investigate the disputed information.

The Bureau estimates that CRAs receive approximately 8 million disputes annually. As of 2011, the national CRAs reported little impact from the 2009 Furnisher Rule on the number of disputes CRAs received, suggesting that, at least at that time, the number of disputes received by furnishers was small. For the purposes of this analysis, the Bureau is assuming that all disputes are initially sent to CRAs. The Bureau is requesting data to estimate the number of disputes sent directly to furnishers. The Bureau estimates that each consumer dispute results in, on average, 4.4 disputed trade lines. Therefore, the Bureau estimates that there are approximately 35 million disputed trade lines annually.

The Bureau estimates that 5 percent of disputed trade lines are frivolous or irrelevant. The Bureau assumes that investigations of this type take approximately 5 minutes to complete. The Bureau estimates that another 10 percent of disputed trade lines can be handled by the CRAs without the help of a furnisher. The Bureau assumes that this type of investigation tends to be clear-cut and will take, on average, approximately 5 minutes to complete. The Bureau estimates that the remaining 85 percent of disputed trade lines must be referred to a furnisher, and that these disputes take approximately 5 minutes of CRA time and 10 minutes of furnisher time. In total, the Bureau estimates that the handling of consumer disputes results in annual time burden to CRAs of approximately 2.8 million hours at a labor cost of \$42.3 million, and an annual time burden to furnishers of approximately 2.5 million hours at a labor cost of \$42.0 million.

#### *Negative information disclosure requirements*

If a financial institution furnishes or may furnish negative information to a CRA regarding credit extended to a consumer, the financial institution shall provide a notice of such furnishing of negative information, in writing, to the consumer. If a financial institution furnishes additional negative information to a CRA with respect to the same transaction, extension of credit, account, or customer, that institution is not required to provide additional notice to the customer. This notice must be clear and conspicuous, but may be included with any notice of default, any billing statement, or any other materials provided to the consumer (with the exception of the initial disclosures provided under section 127(a) of TILA). The notice may be provided to the consumer prior to the furnishing of negative information or within 30 days of the furnishing of negative information.

The Bureau believes that these negative information disclosures are given at account opening. The Bureau provides model forms of this notice and there is little modification needed to adapt the model notice for an institution. Furthermore, these model notices can be combined with certain other disclosures, and the model notice is only 2 sentences long. Therefore, the Bureau believes that the burden to provide this notice is negligible.

#### *Reseller permissible purpose disclosure requirement*

Any person who procures a consumer report for purposes of reselling information contained in the report must disclose to the CRA that originally furnishes the report (1) the identity of the end-user(s) of the information and (2) each permissible purpose for which the information is furnished to the end-user. The Bureau does not have comprehensive data with which to estimate the burden of this requirement and is requesting public comment to better inform its estimate. In the absence of better data, the Bureau assumes that this requirement is part of the regular cost of doing business for resellers and therefore results in minimal burden.

#### *Government agency requests and reporting requirements*

At the request of the Federal Bureau of Investigations, CRAs must provide certain information related to a consumer's credit report. Similarly, CRAs must provide certain information related to a consumer's credit report when requested to do so by other government agencies for counterterrorism purposes. The Bureau assumes that such requests are made in the conduct of an individualized investigation or equivalent and therefore, according to 5 C.F.R. § 1320.4(a), are not collections of information subject to the Paperwork Reduction act.

The Bureau is responsible for burden for the 135 institutions for which the Bureau has primary enforcement authority. The Bureau is also responsible for half of the burden for non-depository institutions, not including motor vehicle dealers. Therefore, the Bureau is assuming half of the burden for requirements of CRAs, firms conducting investigations, resellers, and employers procuring consumer reports for employment screening. The Bureau estimates that it is responsible for 63 percent of the burden for requirements of furnishers and for procurers of consumer reports who may send adverse action notices. Since the 135 institutions for which the Bureau has primary enforcement authority make approximately 25 percent of the mortgage loans, and non-depository institutions make approximately 45 percent of mortgage loans, the Bureau has assumed 48 percent (25 percent plus half of the 48 percent for non-DIs) of the burden for the mortgage application credit score requirement. The Bureau has assumed the same percentage of burden for risk-based pricing notices and pre-screen opt out notices. Using estimates from a study of privacy notices, the Bureau estimates that it is responsible for 95 percent of the burden for affiliate marketing opt-out notices.

Respondents:	Total	
Furnishers	16,000	
NCRAs	3	
CRAs	44	
Employers	744,400	
Resellers	N/A	
Prescreen and Affiliate Marketers	N/A	
Investigative Law Firms & Private Investigators	626	
MLOs	18,000	
Total	779,073	

*Block requests, recordkeeping, and disclosure requirements in cases of trafficking*  
*Block requests and required disclosures*

The proposed rule would require consumer reporting agencies to accept requests from consumers who are victims of sex trafficking to block adverse items of information in credit reports that resulted from sex trafficking or a severe form of trafficking in persons. After receiving and processing such a request, a consumer reporting agency would be required to notify the consumer in writing of the outcome of the block request. This written notice must inform the consumer that the review of the block request is completed and of the outcome of that review, providing the consumer with a free copy of the revised consumer report (if applicable), a notice explaining the outcome, and a notice describing the procedures used to determine the outcome. If the consumer reporting agency declines



to block or rescinds any prior block of adverse items of information resulting from trafficking, the consumer reporting agency must provide the consumer with a written explanation.

Since this is a new collection of information, the Bureau lacks data to form an estimate as to the frequency of its use and therefore the burden it is likely to impose. The Bureau is particularly interested in public comments regarding the estimated burden of this information collection. The next time this collection is renewed, The Bureau will revise these estimates based on actual usage of this provision.

*Trafficking-related policies and procedures*

Under the proposed rule, consumer reporting agencies would be required to establish and maintain written policies and procedures reasonably designed to ensure and monitor the compliance of the consumer reporting agency and its employees with the requirements of proposed section 1022.142.

The Bureau estimates that most credit reporting agencies retain such policies and materials a part of their ordinary course of business, and therefore there is no additional burden imposed by this requirement. The Bureau is especially interested in any public comments about this estimate.

*Trafficking-related block recordkeeping*

Under the proposed rule, a consumer reporting agency would be required to retain evidence of block requests in cases of trafficking and maintain documentation concerning the outcome of the requests, reasons for declining or rescinding the block requests (if applicable), and compliance with proposed Section 1022.142. Consumer reporting agencies would need to retain this information for a period of seven years after the date the block request is submitted.

Since this is a new collection of information, the Bureau lacks data to form an estimate as to the frequency of its use and therefore the burden it is likely to impose. The Bureau is particularly interested in public comments regarding the estimated burden of this information collection. The next time this collection is renewed, The Bureau will revise these estimates based on actual usage of this provision.

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

Description of Costs (O&M)	Action	Per Unit Costs	Quantity	Bureau Allocation	Costs
Pre-employment screening disclosures				50%	\$15,412,800
	In person	\$0.10	53,796,600		
	Mail	\$0.47	53,796,600		

Adverse Action Notices				63%	\$26,182,700
	In person	\$0.10	72,530,187		
	Mail	\$0.47	19,855,000		
Investigative Inquiries				50%	\$262,800
	Mail Disclosure	\$0.47	1,037,328		
	Mail Additional Information	\$0.67	51,866		
Mortgage Application Score Disclosures				48%	\$313,500
	In person	\$0.10	3,286,000		
	Mail	\$0.10	3,286,000		
Risk Based Pricing				48%	\$3,523,300
	In Person	\$0.10	12,890,790		
	Mail	\$0.47	12,890,790		
Unsolicited Offer Opt-Outs				50%	\$346,000
	Phone	\$0.24	2,882,926		
Affiliate Marketing Opt-out	***	***	***	95%	***
Fraud Alert				50%	\$257,300
	Phone	\$1.20	126,023		
	Mail	\$0.67	562,256		
Information Block Requests		\$0.47	12,759	50%	\$3,000
Credit Scores and Reports				50%	\$20,325,600
	Phone Request	\$0.36	4,406,621		
	Mail Report	\$1.77	22,033,105		
Disputes with CRAs				50% (CRAs) 63% (Furnishers)	\$642,800
	Frivolous Notice	\$0.47	1,757,525		
	Outcome Notice	\$0.10	8,034,400		
<b>Total Burden Material Costs:</b>		////////	//////////		\$66,627,000

The Bureau estimates that 163 million pre-employment screening disclosures are delivered to consumers annually. The Bureau does not have information to inform its estimate as to the number of consumers who receive these written disclosures by mail, in person, or electronically. So, the Bureau has assumed that the distribution of methods is uniform. The Bureau estimates that notices sent electronically result in zero cost burden. notices provided in person result in the cost of a single sheet of printed paper, approximately \$0.10; and notices sent in the mail result in the cost of commercial postage and a single sheet of printed paper, approximately \$0.47.<sup>5</sup> Therefore, the Bureau estimates that the total material cost of providing pre-employment screening disclosures

<sup>5</sup> Postage rates based on per unit costs of sending first-class letters, \$0.373. See USPS Business Price Calculator, available at <https://dbcalt.usps.com/Default.aspx>.

is approximately \$30.8 million annually. The Bureau allocates 50% of this cost to itself, resulting in \$15.4 million annually.

The Bureau estimates that there are 59.6 million employment-related adverse action notices and 159.6 million adverse action notices not employment-related delivered each year. The Bureau does not have information to inform its estimate as to the number of consumers who receive these notices by mail, in person, or electronically, so the Bureau has assumed that the distribution of methods is uniform. The Bureau estimates that notices sent electronically result in zero cost burden; notices provided in person result in the cost of a single sheet of printed paper, approximately \$0.10; and notices sent in the mail result in the cost of commercial postage and a single sheet of printed paper, approximately \$0.47. Therefore, the Bureau estimates that the total material cost of providing adverse action notices is approximately \$41.6 million annually. The Bureau allocates 63% of this cost burden to itself, resulting in \$26.2 million annually.

The Bureau estimates that there are 1 million investigative inquiries made annually. The Bureau estimates that the disclosure of a consumer report being procured for investigative purposes is sent in the mail, resulting in the cost of commercial postage and a single sheet of printed paper, approximately \$0.47. The Bureau assumes that the large majority of consumers for whom an investigative report is being procured are aware of the investigation, and therefore a small number of consumers request additional information. If 5 percent of consumers request additional information regarding the nature and scope of the investigation and each subsequent disclosure results in a cost of approximately \$0.67, then the total material cost to persons requesting reports for investigations is \$525,600 annually.<sup>6</sup> The Bureau allocates 50% of this cost burden to itself, resulting in \$262,800 annually.

The Bureau estimates that there are 9.9 million mortgage loan applications annually which trigger a disclosure of the consumer's credit score. The Bureau does not have information to inform its estimate as to the number of consumers who receive these disclosures by mail, in person, or electronically, so the Bureau has assumed that the distribution of methods is uniform. The Bureau estimates that disclosures delivered in person will cost \$0.10 and disclosures delivered by mail will also cost \$0.10 because the Bureau assumes that this disclosure can be included with other documents and will not require additional postage. The Bureau assumes that disclosures provided electronically result in zero material burden. The Bureau estimates that these disclosures triggered by mortgage loan applications results in costs to originators of \$657,200 annually. The Bureau allocates 48% of burden to itself, resulting in \$313,500 annually.

The Bureau estimates that 40 million accounts are opened with terms that are materially less favorable than the most favorable terms available. This results in a consumer receiving a risk-based pricing notice. The Bureau does not have information to inform its estimate as to the number of consumers who receive these disclosures by mail, in person,

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<sup>6</sup> This estimate assumes postage costs of \$0.37 and 3 sheets of paper, printed, double-sided, at a cost of \$0.10 each.

or electronically, so the Bureau has assumed that the distribution of methods is uniform. The Bureau estimates that this disclosure costs \$0.47 to send by mail and \$0.10 to deliver in person. The Bureau assumes disclosures sent electronically result in zero material burden. The Bureau estimates that sending risk-based pricing notices results in costs to creditors of approximately \$7.4 million annually. The Bureau allocates 48% of the burden to itself, resulting in \$3.5 million annually.

The Bureau assumes that 50 percent of consumers electing to opt out of unsolicited offers of credit and insurance transactions do so electronically, and 50 percent of consumers do so via an automated phone system. The Bureau estimates that 5.8 million consumers opt out annually. The Bureau estimates that each call takes approximately 2 minutes, and that each minute of automated phone system time costs CRAs approximately \$0.12. Therefore, the Bureau estimates that the cost to maintain the phone system is \$691,900 annually. The Bureau allocates 50% of the burden to itself, resulting in 346,000 annually. The Bureau assumes that there is no material burden when a consumer elects to opt out electronically. The Bureau does not possess data to estimate the number of election forms sent to consumers who have requested that they be excluded from unsolicited credit and insurance transactions for a period longer than the minimum 5 years. The Bureau is seeking comment on this issue and data to better estimate the impact of this requirement.

The Bureau is seeking comment on the burden experienced by financial institutions as a result of the requirement to provide an affiliate marketing opt-out notice. The Bureau does not possess data with which to accurately estimate the burden imposed by this requirement.

The Bureau estimates that 126,000 fraud alerts are requested by telephone, of which 90 percent are handled by an automated system which costs CRAs approximately \$0.12 per minute to maintain. The Bureau assumes that each call lasts, on average, 10 minutes. Therefore, the Bureau estimates that the automated systems used to receive fraud alerts cost \$136,100 annually. The Bureau estimates that an additional 436,200 fraud alerts are received by mail and the remaining alerts are received electronically. The Bureau assumes that for alerts sent electronically, the CRA can provide the required summary of consumer rights and the summary of rights for identity theft victims electronically at no cost. For the alerts received by telephone or mail, the summary of rights disclosures must be mailed, at an estimated cost of \$0.67 per disclosure.<sup>7</sup> Therefore the Bureau estimates that providing these disclosures to consumers costs CRAs \$514,500 annually. The Bureau allocates 50% of the burden to itself, resulting in \$257,300 annually.

The Bureau estimates that approximately 255,000 consumers make requests to block information resulting from fraud or identity theft annually. The Bureau estimates that 5 percent of these requests are denied, or approved and later rescinded, triggering the requirement to notify the consumer involved of the decision. The Bureau estimates that

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<sup>7</sup> This estimate assumes postage costs of \$0.37 and 3 sheets of paper, printed, double-sided, at a cost of \$0.10 each.

this notice is sent in the mail, resulting in the cost of commercial postage and a single sheet of printed paper, approximately \$0.47. Therefore, the Bureau estimates that these notices result in material costs of approximately \$6,000 to CRAs annually. The Bureau allocates 50% of the burden to itself, resulting in \$3,000 annually.

The Bureau estimates that consumers request approximately 43.4 million credit reports and credit scores annually.<sup>8</sup> The Bureau assumes that the large majority (90 percent) of such requests is made online, and the remainder is made through an automated phone line. The Bureau assumes that the online requests result in zero material burden and the automated phone line costs CRAs approximately \$0.12 per minute to operate. If each phone call lasts, on average, 3 minutes, then the annual material cost to receive requests for credit scores and reports is approximately \$1.6 million annually.

The Bureau estimates that the average credit report is 25 pages in length. With each report, CRAs must include the summary of consumer rights, which the Bureau estimates adds 3 pages. The Bureau assumes that approximately 50 percent of reports are delivered electronically at no cost, and the rest are delivered by mail.<sup>9</sup> Therefore approximately 21.7 million consumers receive, on average, 14 pages printed pages (double-sided) in the mail as a result of a request for a consumer report. The Bureau estimates the cost to CRAs of sending a consumer report is, on average, \$1.77. Therefore, the Bureau estimates that the material cost of sending credit reports is \$40.6 million annually. The Bureau allocates 50% of the burden to itself, resulting in \$20.3 million annually.

The Bureau estimates that CRAs receive approximately 8 million disputes annually and approximately 35 million disputed trade lines annually. While each trade line results in its own investigation, the Bureau assumes that, with the exception of frivolous or irrelevant disputes, CRAs send result notices for disputes containing multiple disputed trade lines. The Bureau estimates that approximately 5 percent of disputed trade lines are frivolous and irrelevant and, therefore, receive a separate determination notice. The Bureau believes that each of the 8 million disputes also result in CRAs sending notices of results. The Bureau estimates that 42 percent of these notices are sent electronically, and the remaining 58 percent of notices are sent by mail.<sup>10</sup> The Bureau assumes notices sent electronically result in zero material burden, that frivolous and irrelevant notices sent by mail cost \$0.47, and that results notices sent by mail cost \$0.10.<sup>11</sup> Therefore, the Bureau estimates that notices to consumers as a result of CRA investigations result in costs of

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<sup>8</sup> See 2012 CFPB White Paper, at 27.

<sup>9</sup> Although the Bureau assumes the large majority of credit report requests are made electronically, the Bureau believes that many consumers prefer physical copies of their credit reports and will request that their reports be mailed.

<sup>10</sup> The Bureau assumes that disputes delivered electronically can be responded to electronically and disputes delivered by other means are responded to by mail. The Bureau estimates that 42 percent of disputes are delivered electronically. See 2012 CFPB White Paper, at 27.

<sup>11</sup> Results notice must be sent with a copy of the consumer's updated consumer report. The materials and postage costs for these reports are included in the larger discussion of consumer report costs, above. The Bureau assumes that the results notice will only add one sheet of paper at a cost of \$0.10 and will be included in the mailing containing the consumer report. Therefore, it will not result in additional postage.

approximately \$1.3 million to CRAs annually.<sup>12</sup> The Bureau allocates 50% of the CRA burden and 63% of the furnisher burden to itself, resulting in \$642,800 annually.

Using the same methodology to allocate burden to the Bureau based on the respondents found in the previous section, the Bureau requests burden for the following:

**Material Costs:** \$66,627,000.

**14. Provide estimates of the annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.**

The Bureau does not incur any additional Federal annualized cost as a result of these information collection requirements.

**15. Explain the reasons for any program changes or adjustments.**

Bureau staff estimates that the new information collection requirements will impose a small amount of additional burden. However, the Bureau currently lacks adequate data to estimate even a minimal amount of burden. The Bureau will revise this estimate in response to public comments received or based on the information collection requirements' actual usage.

This ICR requests an adjustment of 1 response and 21,799 hours due to the correction of rounding errors.

**16. For collections of information whose results will be published, outline plans for tabulations, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Not applicable. The Bureau will not publish the collected information.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

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<sup>12</sup> Five percent of the 35 million disputed trade lines (1.75 million) result in postage and printing costs of approximately \$0.47, totaling 827,800. Fifty-eight percent of the 8 million disputes (4.64 million) result in results notices sent by mail at a cost of \$0.10, totaling \$464,000. Therefore, the total cost to creditors is approximately \$1.3 million.

Fair Credit Reporting Act (Regulation V)  
OMB Control Number: 3170-0002  
RIN: 3170-AB12  
OMB Expiration Date: 11/30/2023

The Bureau is not seeking to avoid displaying the expiration date. The OMB control number will be displayed in the PRA section of the final rule and the Code of Federal Regulations. Further, the OMB control number and expiration date will be displayed on the federal government's electronic PRA docket at [www.reginfo.gov](http://www.reginfo.gov).

**18. Explain each exception to the certification statement.**

The Bureau certifies that this collection of information is consistent with the requirements contained within 5 CFR Sections 1320.9 and 1320.8(b)(3) and is not seeking an exemption to these certification requirements.