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October 9, 2019

New Report: Policy Makers Encouraged to Promote Financial Inclusion and Consumer Self-Advocacy in the US Credit Reporting System

*Policy Makers also encouraged to establish national data security standards and avoid
“opt out,” other policy options that will hurt consumers in the long run*

WASHINGTON, DC – The [Consumer Data Industry Association \(CDIA\)](http://CDIAONLINE.ORG) today released a study by noted economist Ann B. Schnare, which makes a series of recommendations for policy makers on the future of credit bureaus.

“The explosion of personal data and its rapidly growing use is having an impact on consumers, credit bureaus and the US economy,” Dr. Schnare said. “Our goal is to help policy makers understand how credit bureaus are different from other data aggregators and how those differences impact consumer privacy and data security.”

Francis Creighton, the President & CEO of CDIA, added, “The regulated consumer data industry provides tremendous benefits for consumers and the economy. Public policy should be focused on protecting data and utilizing alternative data, such as rent payments, payday loan data, utility payments, cell phone payments, and including public records and other predictive data in credit reports is optimal for supporting financial inclusion and creating credit histories for those who are credit invisible.”

Dr. Schnare, who received her PhD in economics from Harvard University, currently runs her own consulting firm and previously served on the operating committee of housing finance giant Freddie Mac. Her paper details the evolution of the modern credit reporting system and highlights the many policy issues currently facing the credit reporting ecosystem, including the rise of the fintech industry and the use of new kinds of data in credit reports. She makes seven specific public policy recommendations, which can be found in the paper.

Dr. Schnare was commissioned by Equifax for the report, though the views expressed are hers alone. CDIA is releasing the paper today publicly to further the discussion on the future of credit reporting, noting that the Association may not agree with every characterization contained in the paper. [Read the full report](#) on CDIA’s website.