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DEPARTMENT OF ENERGY

10 CFR Parts 429 and 431

[EERE–2020–BT–TP–0011]

RIN 1904–AE62

Energy Conservation Program: Test Procedure for Electric Motors

Correction

In rule document 2022–21891, appearing on pages 63588 through 63660 in the issue of Wednesday, October 19, 2022, make the following correction:

§ 431.12 [Corrected]

■ In § 431.12, on page 63655, in the second column, remove the first definition of *IEC Design HY* by removing lines eleven through twenty-five.

[FR Doc. C1–2022–21891 Filed 10–25–22; 8:45 am]

BILLING CODE 0099–10–D

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1022

Fair Credit Reporting; Facially False Data

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Advisory opinion.

SUMMARY: The Consumer Financial Protection Bureau (Bureau) is issuing this advisory opinion to highlight that a consumer reporting agency that does not implement reasonable internal controls to prevent the inclusion of facially false data, including logically inconsistent information, in consumer reports it prepares is not using reasonable procedures to assure maximum possible accuracy under section 607(b) of the Fair Credit Reporting Act (FCRA).

DATES: This advisory opinion is effective on October 26, 2022.

FOR FURTHER INFORMATION CONTACT: Ilana Waxman, Senior Counsel, Tyler Sines or Jason Grimes, Counsels, Office of Supervision Policy at (202) 435–7700 or *https://reginquiries.consumerfinance.gov/.* If you require this document in an alternative electronic format, please contact *CFPB_Accessibility@cfpb.gov.*

SUPPLEMENTARY INFORMATION: The Bureau is issuing this advisory opinion through the procedures for its Advisory Opinions Policy.[1] Refer to those procedures for more information.

I. Advisory Opinion

A. Background

Accuracy in consumer reports is of vital importance to the consumer reporting system, particularly as consumer reports play an increasingly central role in the lives of American consumers. Consumer reporting agencies collect and assemble credit, public record, and other consumer information into consumer reports.[2] Creditors, insurers, landlords, employers, and others use the information in these reports to make eligibility determinations and other decisions that can have a significant impact on consumers. For example, creditors use information in consumer reports to determine whether, and on what terms, to extend credit to a particular consumer, while landlords and employers use background screening reports in deciding whether to rent to prospective tenants and hire employees, respectively.

Inaccurate, derogatory information in consumer reports can have significant adverse impacts on consumers. For example, inaccurate, derogatory information in consumer reports can lead to higher interest rates, ineligibility for promotional offers, or otherwise less favorable credit terms for affected consumers. This in turn may cost consumers hundreds or thousands of dollars in additional interest. Even worse, inaccurate, derogatory information in consumer reports could lead lenders to deny a consumer credit entirely, making it difficult or impossible for that consumer to obtain a mortgage, auto loan, student loan, or other credit. Any of these consequences can be devastating for a consumer's financial well-being and life. Inaccurate, derogatory information in consumer reports can also harm the businesses that use such reports by leading them to make unsupported decisions.

Consumer report accuracy depends on the various parties to the consumer reporting system, including: the three nationwide consumer reporting agencies (Equifax, Experian, and TransUnion); other consumer reporting agencies, such as background screening companies; entities such as creditors who furnish information to consumer reporting agencies (*i.e.,* furnishers); and public record repositories. While any of these parties may introduce inaccurate information into the consumer reporting process, a consumer reporting agency is uniquely positioned to identify certain obvious inaccuracies and implement policies, procedures, and systems to keep them off of consumer reports. In some cases, such as when certain account or other information fields on consumer reports are logically inconsistent with other fields of information, a consumer reporting agency can detect the logical inconsistencies and prevent the inaccurate information from being included in consumer reports it generates, thereby avoiding the consumer harm to individual consumers that can result from reporting such inaccurate information.

Inaccuracy in consumer reports is a long-standing issue that remains a problem today. Pursuant to its obligations under the Fair and Accurate Credit Transactions (FACT) Act[3] to conduct a study of consumer report accuracy and completeness, the Federal Trade Commission in 2012 published a report finding, among other things, that one in five consumers who participated in the study had an error on at least one of their three nationwide credit reports.[4] Another more recent study, published in 2021, found that over 34% of consumers surveyed were able to

[1] 85 FR 77987 (Dec. 3, 2020).

[2] *See* 15 U.S.C. 1681a(d) (defining ''consumer report'').

[3] Fair and Accurate Credit Transactions Act of 2003, Public Law 108–159, sec. 319, 117 Stat. 1952 (2003).

[4] *See* Fed. Trade Comm'n, *Report to Congress Under Section 319 of the Fair and Accurate Credit Transactions Act of 2003,* at 64 (Dec. 2012), *https://www.ftc.gov/sites/default/files/documents/reports/section-319-fair-and-accurate-credit-transactions-act-2003-fifth-interim-federal-trade-commission/130211factareport.pdf.*