

## Consumer Protection Laws – Credit and Homeownership

LAW	WHAT IT DOES
<p><b>Fair Credit Reporting Act</b></p>	<p>The <b>Fair Credit Reporting Act (FCRA)</b> is designed to help ensure that credit bureaus furnish correct and complete information to businesses to use when evaluating your application.</p> <p><b>Your rights under the Fair Credit Reporting Act:</b></p> <ul style="list-style-type: none"> <li>• You have the right to receive a copy of your credit report. The copy of your report must contain all of the information in your file at the time of your request.</li> <li>• You have the right to know the name of anyone who received your credit report in the last year for most purposes or in the last two years for employment purposes.</li> <li>• Any company that denies your application must supply the name and address of the credit bureau they contacted, provided the denial was based on information given by the credit bureau.</li> <li>• You have the right to a free copy of your credit report when your application is denied because of information supplied by the credit bureau. Your request must be made within 60 days of receiving your denial notice.</li> <li>• If you contest the completeness or accuracy of information in your report, you should file a dispute with the credit bureau and with the company that furnished the information to the bureau. Both the credit bureau and the furnisher of information are legally obligated to investigate your dispute.</li> <li>• You have a right to add a summary explanation to your credit report if your dispute is not resolved to your satisfaction.</li> </ul>
<p><b>Fair Credit Billing Act</b></p>	<p>The Fair Credit Billing Act (FCBA) and <b>Electronic Fund Transfer Act (EFTA)</b> establish procedures for resolving mistakes on credit billing and electronic fund transfer account statements, including:</p> <ul style="list-style-type: none"> <li>• Charges or electronic fund transfers that you – or anyone you have authorized to use your account – have not made.</li> <li>• Charges or electronic fund transfers that are incorrectly identified or show the wrong amount or date.</li> <li>• Computation or similar errors.</li> <li>• Failure to reflect payments, credits, or electronic fund transfers properly.</li> </ul>

	<ul style="list-style-type: none"> <li>• Not mailing or delivering credit billing statements to your current address, as long as that address was received by the creditor in writing at least 20 days before the billing period ended.</li> <li>• Charges or electronic fund transfers for which you request an explanation or documentation, due to a possible error.</li> </ul> <p>The FCBA generally applies only to "open end" credit accounts – credit cards, revolving charge accounts (such as department store accounts), and overdraft checking accounts. It does not apply to loans or credit sales that are paid according to a fixed schedule until the entire amount is paid back, such as an automobile loan. The EFTA applies to electronic fund transfers, such as those involving automatic teller machines (ATMs), point-of-sale debit transactions, and other electronic banking transactions.</p>
<b>Equal Credit Opportunity Act</b>	<p>The <b>Equal Credit Opportunity Act (ECOA)</b> prohibits credit discrimination on the basis of sex, race, marital status, religion, national origin, age, or receipt of public assistance. Creditors may ask for this information (except religion) in certain situations, but may not use it to discriminate when deciding whether to grant you credit.</p> <p>The ECOA protects consumers who deal with companies that regularly extend credit, including banks, small loan and finance companies, retail and department stores, credit card companies, and credit unions. Everyone who participates in the decision to grant credit, including real estate brokers who arrange financing, must follow this law. Businesses applying for credit also are protected by this law.</p> <ul style="list-style-type: none"> <li>• Your rights under the Equal Credit Opportunity Act:</li> <li>• You cannot be denied credit based on your race, sex, marital status, religion, age, national origin, or receipt of public assistance.</li> <li>• You have the right to have reliable public assistance considered in the same manner as other income.</li> <li>• If you are denied credit, you have a legal right to know why.</li> </ul>
<b>Fair Debt Collection Practices Act</b>	<p>The <b>Fair Debt Collection Practices Act (FDCPA)</b> applies to personal, family, and household debts. This includes money owed for the purchase of a car, for medical care, or for charge accounts. The FDCPA prohibits debt collectors from engaging in unfair, deceptive, or abusive practices while collecting these debts. Your rights under the Fair Debt Collection Practices Act:</p> <ul style="list-style-type: none"> <li>• Debt collectors may contact you only between 8 a.m. and 9 p.m.</li> <li>• Debt collectors may not contact you at work if they know your employer disapproves.</li> <li>• Debt collectors may not harass, oppress, or abuse you.</li> </ul>

	<ul style="list-style-type: none"> <li>• Debt collectors may not lie when collecting debts, such as falsely implying that you have committed a crime.</li> <li>• Debt collectors must identify themselves to you on the phone.</li> <li>• Debt collectors must stop contacting you if you ask them to in writing.</li> </ul>
<b>Truth In Lending Act</b>	<p>The <b>Truth in Lending Act</b> is a set of US government guidelines for lending practices to ensure that borrowers receive information about their loans. As part of the Consumer Credit Protection Act, it requires lenders to disclose information regarding</p> <ul style="list-style-type: none"> <li>• loan origination fees,</li> <li>• payment schedules,</li> <li>• the Annual Percentage Rate, and</li> <li>• borrowers' rights to rescind their application within a certain time frame without being charged.</li> </ul> <p>The truth-in-lending act requires lenders to give borrowers a Good Faith Estimate within three business days of a loan application. In the summer of 2009 (as a result of the Housing Crisis), the Fed released new proposals to improve disclosures on mortgages, with more specific guidelines for lenders and brokers when educating borrowers about their loan options and costs.</p>
<b>Fair Housing Act</b>	<p>The <b>Fair Housing Act</b> prohibits discrimination on the basis of race, color, sex, religion, handicap, familial status or national origin in the financing, sale or rental of house.</p>

Sources: [www.myfico.com](http://www.myfico.com) (<http://www.myfico.com/CreditEducation/Rights/CreditReportRights.aspx>)