

The Small Business Credit Protection Act (Rubio-Kennedy)

Summary: Various state laws and the Fair Credit Reporting Act provide protections to “consumer” credit. Following the Equifax data breach, Congress amended the Fair Credit Reporting Act to enhance some federal credit protections for “consumers.”

However, business credit is excluded from the statutory definition of “consumers” and thus, while small business’s nonpublic information was subject to the breach, the changes did not apply to small businesses that use credit.

Business credit scores typically range from 0 to 100, though they do not follow an industry standard. Businesses do not get free access to their credit report and are required to pay about \$40 to \$100 to see the report and score from one of the three credit reporting bureaus.

The Small Business Credit Protection Act would direct credit bureaus to:

- Inform small businesses, within 30 days, if their nonpublic personal data has been breached, and;
- Within 180 days following a breach, prohibit credit bureaus from charging small businesses for a credit report.

Endorsed by the League of Southeastern Credit Unions & Affiliates