



Consumer Data Industry Association
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Senator William C. Smith, Jr.
Chair
Senate Judicial Proceedings Committee
2 East Miller Senate Office Building
11 Bladen St
Annapolis, Maryland 21401

Chair Smith Jr., Vice-Chair Waldstreicher, Members of the Committee:

On behalf of the Consumer Data Industry Association (CDIA), I write to raise our concerns regarding SB 514's proposed amendments to § 8-218(b)(i) of the Real Property Article of Maryland Code, as it relates to requirements for the contents of reusable tenant screening reports. We respectfully request that the committee remove these provisions as they are preempted by the Fair Credit Reporting Act (FCRA).

CDIA, founded in 1906, is the trade organization representing the consumer reporting industry, including agencies like the three nationwide credit bureaus, regional and specialized credit bureaus, background check companies and others. CDIA exists to promote responsible data practices to benefit consumers and to help businesses, governments and volunteer organizations avoid fraud and manage risk.

The FCRA provides important and necessary protections to consumers, lenders, government agencies, law enforcement, volunteer organizations, and businesses who rely on full, complete and accurate consumer reports to make informed decisions, including in relation to tenant screening. Much of the FCRA has previously been incorporated into Maryland's Commercial Law article. These laws demand accuracy in background check processes and afford legal rights to consumers. Maintaining alignment between state consumer reporting laws and federal consumer reporting laws is critical but without changes, SB 514 would create conflicts between state and federal law.

SB 514 would amend § 8-218(b)(i) of the Real Property Article to lower the threshold for when consumer reporting agencies would have to exclude certain criminal history information from a type of consumer report. These proposed changes to § 8-218(b)(i) of the Real Property Article are inconsistent with requirements established by 15 U.S.C. § 1681c of the FCRA. However, in establishing requirements consumer reporting agencies must adhere to, Congress expressly reserved authority over limits to what CRAs may include in consumer reports to itself. Further, Congress also preempted the states from establishing their own requirements or prohibitions relating to information contained in consumer reports.

As section SB 514 imposes limitations on CRAs as it relates to information to be included or excluded from consumer reports that differ from the FCRA, it is preempted by not only 15 U.S.C. § 1681t(a) in relation to inconsistencies between the FCRA and state laws but also by 15 U.S.C. § 1681t(b)(1)(E) as it relates to information to be included or excluded from consumer reports.

Given the clear conflicts between SB 514 and the FCRA and the preemption issues articulated above, we respectfully request that the committee remove the proposed revisions § 8-218(b)(i) of the Real Property Article of Maryland Code from SB 514. CDIA and its members stand ready to work with this committee on consumer report-related matters. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Zachary W. Taylor", is written over a horizontal line.

Zachary W. Taylor
Director, Government Relations
Consumer Data Industry Association