

IS YOUR CREDIT REPORT ACCURATE?

By Jane M. Winand, Chief, Legal Assistance Division

In the previous issue we discussed information that appears on your credit report. If you find erroneous information on your report, you must correct the errors to avoid future credit problems. The Fair Credit Reporting Act provides the following process for correcting erroneous entries on credit reports:

1. Write to the credit reporting agency to inform the personnel which entries on the credit report are wrong and why. Include copies of important papers proving your position. Keep a copy of the letter for your records.
2. The credit reporting agency has to contact the company that reported the credit information and investigate, all within 30 days.
3. If the credit reporting agency cannot verify the credit information, it must be deleted from your credit report within seven days. Also, within seven days, the credit reporting agency must mail a written correction notice to you and each person who received a copy of the report containing erroneous information.
4. If the credit entry is verified to be correct, the credit reporting agency must provide you written notice of its findings. If you disagree with the findings, you may file a statement of 100 words or less explaining your position on the matter. Your statement then becomes part of your credit report and will be mailed to any party requesting a copy of your credit report.

Be wary of credit repair companies claiming to “clean up” bad credit reports. These companies can do no more for you than what you can do for yourself as described under the Fair Credit Reporting Act information above. No one can remove negative credit information that is correct. Such negative credit is a historical record that cannot be erased. Therefore, it is important to pay off accounts in a timely fashion to protect your credit rating. It may also be desirable to add credit information to your file. Large companies regularly report credit activity to the credit reporting agencies. However, small creditors may not readily report such data. If you have favorable information that has not been reported, and you are denied credit because of insufficient credit data, you may want to provide this additional good credit information to the credit reporting agency. Some credit reporting agencies may charge a fee for the addition of such information.

Should you have any additional questions regarding consumer issues, you may call the Fort Meade Legal Assistance Office at (301) 677-9762 to make an appointment to speak with an attorney.