

Name of committee:

Committee on Justice Initiatives

Contact person:

Terri L. Stangl, Co-chair

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Bill Number:

[HB 4753](#) (Cushingberry) Civil procedure; remedies; correction of inaccurate item in consumer credit reports; establish procedures for civil action in state court. Amends [1961 PA 236](#) (MCL [600.101](#) - [600.9947](#)) by adding sec. 8309.

Date position was adopted:

January 8, 2008

Process used to take the ideological position:

Position adopted after discussion and vote at a scheduled meeting.

Number of members in the decision-making body:

19

Number who voted in favor and opposed to the position:

10 Voted for position

0 Voted against position

Position:

Support

Explanation of the position, including any recommended amendments:

The Committee on Justice Initiatives supports this bill, which will create a cause of action to correct inaccurate items in consumer credit reports.

Credit reports are used not only for obtaining credit, but also for employment purposes. It is critical that credit reports are accurate so that individuals will be able to obtain the best possible credit and there will not be an adverse impact on their employment options. Unfortunately, most credit reports contain inaccuracies. While some are able to correct their credit report through the credit reporting agencies' dispute process, many consumers are not able to resolve their dispute or, after they think the dispute is resolved, the information reappears on the credit report. This bill creates a cause of action that consumers can use to correct their credit reports after the dispute process has failed. Further, this cause of action is vested in the district court, making it more accessible to litigants who cannot afford an attorney and represent themselves. The district court would also have jurisdiction to award monetary

damages, again, making this cause of action more accessible to consumers who otherwise would be in federal court under the Fair Credit Reporting Act, which is far more difficult to navigate *in pro per* than the state district court.

The text of any legislation, court rule, or administrative regulation that is the subject of or referenced in this report.

<http://legislature.mi.gov/doc.aspx?2007-HB-4753>

FOR LEGISLATIVE ISSUES ONLY:

This position falls within the following Keller-permissible category:

- The regulation and discipline of attorneys**
- ✓ **The improvement of the functioning of the courts**
- ✓ **The availability of legal services to society**
- The regulation of attorney trust accounts**
- The regulation of the legal profession, including the education, the ethics, the competency, and the integrity of the profession.**

Keller-permissible explanation:

This matter falls within the category of the improvement of the functioning of the courts because it expands the district court's jurisdiction. It will allow more individuals, especially those who are in pro per, to access the court to try to correct their credit reports. The bill also clearly outlines what authority the judges have to provide relief to individuals.