

FOR IMMEDIATE RELEASE  
December 3, 2024

## CDIA Warns of Far-Reaching Consequences in CFPB's Proposed Data Broker Rule

Washington, D.C. - The [Consumer Data Industry Association \(CDIA\)](http://CDIAONLINE.ORG) today expressed concerns over the Consumer Financial Protection Bureau's (CFPB) proposed rule aimed at regulating data brokers under the Fair Credit Reporting Act (FCRA). This proposed rulemaking could have severe unintended consequences for public safety, law enforcement, and the consumer economy.

While we have a shared commitment to protecting data privacy, this approach could potentially compromise public safety and increase costs for maintaining our world-class credit reporting system.

The proposed rule, if finalized, could have far-reaching implications:

- **Increasing Fraud Risks:** Retailers and lenders could find it harder to identify and prevent fraudulent schemes.
- **Hindering Law Enforcement:** It may become more difficult for police to identify and track fugitives or locate missing and exploited children.
- **Impacting Child Support Enforcement:** Government officials may face challenges in tracking down parents evading child support responsibilities.

CDIA emphasizes that these potential negative impacts come without any discernible increase in the accuracy or reliability of credit report data, the efficiency of the credit reporting system, or the privacy of everyday Americans.

"Our members recognize the importance of consumer privacy," said Dan Smith, President & CEO at CDIA. "We believe the CFPB's approach is misguided and potentially harmful. We urge the CFPB to reconsider this proposal as neither the FCRA nor the Dodd Frank Act authorize the CFPB to arbitrarily expand the definition of what a credit report is or who is a credit reporting agency. This can only be authorized by congressional action."

CDIA calls on the CFPB to engage in a more collaborative approach with industry stakeholders and lawmakers to address data privacy concerns without compromising the integrity and efficiency of the credit reporting system that has long been the envy of the world.

*About CDIA: The Consumer Data Industry Association (CDIA) is the voice of the consumer reporting industry, representing consumer reporting agencies, including the nationwide credit bureaus, regional and specialized credit bureaus, background check and residential screening companies, and others. Founded in 1906, CDIA promotes the responsible use of consumer data to help consumers achieve their financial goals and to help businesses, governments, and volunteer organizations avoid fraud.*

**Contact:**

Jackie Gulley  
202-744-7873  
[jgulley@cdiaonline.org](mailto:jgulley@cdiaonline.org)

###