



Legislation Text

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Res. No. 1483

Resolution calling on Congress to pass, and the President to sign, legislation that would prohibit property owners and loan service agencies from negatively impacting credit scores of businesses, property owners or renters for nonpayment due to the COVID-19 pandemic.

By Council Members Louis and Rosenthal

Whereas, Credit scores are based on an individual's credit history and are used to evaluate the creditworthiness of a person; and

Whereas, The three major credit bureaus in the United States are Equifax, Experian, and TransUnion, which are regulated by the Consumer Financial Protection Bureau, the federal agency responsible for consumer protections in the financial sector; and

Whereas, Credit scores may be used by landlords to determine whether they should rent an apartment, or by banks to determine whether they should approve an applicant loan, or by insurance companies to determine how much to charge for insurance premiums; and

Whereas, During the COVID-19 pandemic, many New Yorkers have lost their job, had their work hours cut or have been furloughed; and

Whereas, According to New York State Department of Labor, the City's unemployment rate increased from 3.4 percent in February 2020 to 19.8 percent in June 2020; and

Whereas, Congress should pass a bill into a law that would not allow property owners, and loan servicers to negatively impact the credit score for businesses, homeowners, and renters by reporting nonpayment to credit reporting agencies during the COVID-19 pandemic; and

Whereas, Limiting access to loans or large purchases due to poor credit scores as a result of the COVID-

19 pandemic will delay the economic recovery; now, therefore, be it

Resolved, That the Council of the City of New York calls on Congress to pass, and the President to sign, legislation that would prohibit property owners and loan service agencies from negatively impacting credit scores of businesses, property owners or renters due to the COVID-19 pandemic.

JLC
9/9/2020
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