

as well as pay the bills and fulfill all his contracts. The Bryskis spent countless time and money regaining custody of their son so that they could prevent him from defaulting on other bills in case he should recover.

□ 1750

They were not only being responsible parents, but responsible Americans.

The Bryskis also endured a personal interview of Christopher so that the court could be sure Christopher was unable to make decisions on his behalf. Literally, someone from the court came to Christopher's hospital room and yelled in his face to ensure that he would not respond and that he was indeed in a vegetative state.

As a father of four boys, two of whom are in college, I cannot imagine going through what the Bryskis went through. This is why I introduced H.R. 5458, the Christopher Bryski Student Loan Protection Act, or Christopher's Law. This bill would help prevent other families from going through what the Bryskis did by ensuring that private educational lenders clearly describe the obligations of borrowers and cosigners upon their death or disability—what the banks call “an inability to pay.” The rest of us would call it a family tragedy.

Christopher's Law will also urge the Federal Reserve Board to adopt and interpret the same definitions of death and disability as the Department of Education, which has used these definitions for many, many years. This bill does not require that private loans be discharged in case of death or disability. It simply requires private educational lenders to define death and disability so borrowers and their cosigners can refer to these definitions should a catastrophe happen to their family. It also states that private education lenders as well as the Federal Government must provide information on creating a durable power of attorney to handle the borrower's financial affairs should the borrower be unable to make those decisions on their own. In other words, the borrower and the lender must be on the same page.

Since I introduced this legislation, I have been approached by many other families in my district with similar problems as the Bryskis encountered. I believe this is commonsense, bipartisan legislation that deserves the support of the entire body.

I would like to thank Chairman MILLER and Ranking Member KLINE, Chairman FRANK and Ranking Member BACHUS, for bringing this important legislation to the floor, and, frankly, minority staff, for improving this legislation with amendments just in the last few days. It is the way we're supposed to be doing business for the people of our great country. I urge its passage.

I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I rise to address this legislation, and I yield myself such time as I may consume.

H.R. 5458 requires private education loan lenders to provide disclosures to students about the benefits of creating a durable power of attorney. For most traditional students, a student loan is the first large financial decision he or she will be making. As such, a student and the cosigner of the loan—often a parent, as with the Bryskis—should be aware of their repayment responsibilities, including those responsibilities if the student should become unable to make payments. And so disclosures, I think, are always helpful.

In addition to existing disclosures for loans, this bill requires private education loan lenders to provide additional information to students and cosigners about the benefits of durable powers of attorney for financial decision-making. A college's financial aid administrator would also be required to provide information to students and their cosigners about creating a durable power of attorney.

I do have some concerns not addressed to this bill itself but that the Federal Government is nearing the point of requiring so many disclosures that they may overwhelm the consumer. I also fear that the requirement that the Federal Reserve Board create 50 different forms based on various State laws surrounding durable powers of attorney will be especially burdensome to the Board. But that's a minor concern.

While a better solution long term would be to provide two simple disclosures that ensure that the cosigners and the students understand the responsibilities of loan repayment and are provided a place to do their own research about durable powers of attorney, this may be the first time that an individual may have a need for this sort of legal document, and these additional disclosures could help better inform the borrowers and cosigners. So for that reason I do not rise in opposition to this legislation.

I want to extend my prayers and thoughts to the Bryski family and other families who experience such a tragedy as this. I thank the gentleman from New Jersey for his kind words.

I yield back the balance of my time.

Mr. ADLER of New Jersey. I thank the gentleman from Alabama.

I am glad he mentioned the Bryski family. Ryan Bryski, the brother of Christopher, is in the gallery. I thank him and his family for sharing what they went through so we can avoid other families going through what you went through. I join Mr. BACHUS in having Christopher and other families similarly situated in our prayers. But, Ryan, I thank you personally for your guidance in this.

I think this is a wonderful example of people trying to work together to solve a people problem. I share some of Mr. BACHUS' concerns that maybe we have too many disclosures from time to time. I would be eager to work with the Member to try to work that out going forward and streamline the process.

But I think this is simple legislation that is appropriate to meet a need that comes up every so often with tragic circumstances beyond the actual injury, disability, and death of young people.

I urge strong and immediate passage of this bill.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds Members that it is inappropriate to recognize occupants of the gallery.

Mr. ADLER of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. ADLER) that the House suspend the rules and pass the bill, H.R. 5458, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### MEDICAL DEBT RELIEF ACT OF 2010

Ms. KILROY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3421) to exclude from consumer credit reports medical debt that has been in collection and has been fully paid or settled, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3421

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the “Medical Debt Relief Act of 2010”.

##### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Medical debt is unique, and Americans do not choose when accidents happen or when illness strikes.

(2) Medical debt collection issues affect both insured and uninsured consumers.

(3) According to credit evaluators, medical debt collections are more likely to be in dispute, inconsistently reported, and of questionable value in predicting future payment performance because it is atypical and non-predictive.

(4) Nevertheless, medical debt that has been completely paid off or settled can significantly damage a consumer's credit score for years.

(5) As a result, consumers can be denied credit or pay higher interest rates when buying a home or obtaining a credit card.

(6) Healthcare providers are increasingly turning to outside collection agencies to help secure payment from patients and this comes at the expense of the consumer because medical debts are not typically reported unless they become assigned to collections.

(7) In fact, medical bills account for more than half of all non-credit related collection actions reported to consumer credit reporting agencies.

(8) The issue of medical debt affects millions.

(9) According to the Commonwealth Fund, medical bill problems or accrued medical debt affects roughly 72,000,000 working-age adults in America.

(10) For 2007, 28,000,000 working-age American adults were contacted by a collection agency for unpaid medical bills.

(b) PURPOSE.—It is the purpose of this Act to exclude from consumer credit reports medical debt that had been characterized as delinquent, charged off, or debt in collection for credit reporting purposes and has been fully paid or settled.

### SEC. 3. AMENDMENTS TO FAIR CREDIT REPORTING ACT.

(a) MEDICAL DEBT DEFINED.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new paragraph:

“(z) MEDICAL DEBT.—The term ‘medical debt’ means a debt described in section 604(g)(1)(C).”

(b) EXCLUSION FOR PAID OR SETTLED MEDICAL DEBT.—Section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)) is amended by adding at the end the following new paragraph:

“(7) Any information related to a fully paid or settled medical debt that had been characterized as delinquent, charged off, or in collection which, from the date of payment or settlement, antedates the report by more than 45 days.”

### SEC. 4. PAYGO BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Ohio (Ms. KILROY) and the gentleman from Alabama (Mr. BACHUS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Ohio.

#### GENERAL LEAVE

Ms. KILROY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. KILROY. Mr. Speaker, I yield myself such time as I may consume.

I thank the chair of the Financial Services Committee, Chairman BARNEY FRANK, and the subcommittee chair, LUIS GUTIERREZ; as well as my cosponsors, including my Republican cosponsors, Mr. MANZULLO, Mr. BURGESS and Mr. BILBRAY, for their support of H.R. 3421, the Medical Debt Relief Act of 2010.

This bill would protect hardworking Americans who play by the rules, pay or settle their medical debts, and yet find their economic well-being and credit scores adversely affected for years to come due to medical debt, large or small, that has gone to collection. Specifically, this legislation would prohibit credit reporting agencies from including in an individual's

credit report fully paid off or settled medical debt collection.

So many of us have had issues with trying to figure out what insurance companies are paying and what they were responsible for or maybe had to fight with a health insurance company to get them to honor their obligation to pay a health care bill or maybe they had a high deductible policy to save money and took a little bit extra time to pay off their bill. But pay they did. And yet they find that their credit is adversely affected for years to come.

This is a serious problem that can affect millions of people. In fact, according to the Commonwealth Fund, medical bill problems or accrued medical debt affects roughly 72 million working-age adults in America. In 2007, 28 million working-age American adults were contacted by a collection agency for an unpaid medical bill. Furthermore, a 2003 report in the Federal Reserve Bulletin found that medical debt collections are more likely to be in dispute, inconsistently reported, and of questionable value in predicting future credit payments or credit performance because medical debt is atypical and non-predictive. In the same 2003 report, it was found that 85 percent of medical collections were for less than \$500.

□ 1800

This issue is further compounded by the fact that medical billing errors are common among third-party insurers. According to the Quicken Health Group, nearly 40 percent of Americans do not understand their medical bills or are confused about the amounts owed and if those amounts are correct. Finally, the enactment of H.R. 3421 would result in more accurate credit scores, allowing businesses to better price risk.

This legislation has broad-based support, including from the National Association of Home Builders, the Mortgage Bankers Association, Americans for Financial Reform, the National Credit Reporting Agency, Consumers Union, the National Consumer Law Center on behalf of its low-income clients, the National Association of Consumer Advocates, Consumer Action, Families USA, UNITE HERE, the National MS Society, the Corporation of Enterprise Development, the NAACP, the National Council of La Raza, the Consumer Federation of America, U.S. PIRG, and Community Catalyst.

Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. I yield myself such time as I may consume.

Mr. Speaker, I rise to address H.R. 3421. Credit scores and the evolution of a robust credit reporting system have done much to improve access to credit for millions of Americans, and they are an integral component of our economy. Information found in credit reports and captured by credit scores is used in today's economy for much more than for just making credit decisions. A well-functioning national credit reporting

system helps those deciding whether to extend credit to properly manage the associated risk, which in turn helps keep the cost of credit lower for those who wish to borrow. Anything that undermines the reliability or integrity of a consumer credit report is likely to result in less credit being available to average Americans.

The question before us today is whether Congress should micromanage the credit reporting system and restrict the ability of businesses and creditors to review information about the credit history of a customer. When evaluating H.R. 3421, it is important to remember that the right to credit is not a right guaranteed by the government. It is made available by lenders, and I think lenders have a right to all the information about the borrower in making those decisions. Government micromanagement of a consumer credit file could misallocate credit and distort lending practices—two serious causes of the economic crisis we are still struggling to escape.

Congresswoman KILROY mentioned certain situations, and I certainly sympathize with those situations. There may be other situations, though, that we could imagine in which that information would indicate something else. It may indicate an inability to pay on a loan that someone was getting.

As we consider proposals such as the one the gentlewoman brings to us in dealing with the use of credit reports, we must consider that, in certain cases, unintended consequences may result from a less than complete picture of a prospective borrower, and it may result in losses by the lender. This is something we can't just totally block out.

Mr. Speaker, I reserve the balance of my time.

Ms. KILROY. I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Alabama talks about robust reporting and about making sure that credit is more accurately reported. This is what this bill would do.

There is so much confusion and error surrounding the issue of medical debt, and medical debt is not an accurate predictor of someone's creditworthiness. Somebody might get a sudden illness or might get hit by a car. It's not like a person is going out and buying a house full of televisions or is going on a lot of vacations or out to dinner every night. They are people who are playing by the rules and who are paying off that debt.

To the contrary, I think that this bill, rather than undermining the availability of credit, would actually encourage the availability of credit by having more accurate credit scores and by allowing people to obtain more reasonable rates on credit because of having more accurate credit scores. Particularly now when people are also using credit reporting with regard to employment decisions, it is all the more important. I think it is fairer to

hardworking Americans. It will help the economy. It will help make a more accurate credit reporting score.

I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, the gentlewoman talked about certain situations. Let me say that I am sympathetic to the purpose of this bill. You will see there are three Republican cosponsors on the bill. What I'm saying and what, I think, the American people are beginning to say pretty loudly is that they are uncomfortable with the government's making these decisions as to what will be disclosed and what will be withheld. I think the American people are sympathetic. I don't know of a family in America who has not faced a medical emergency or who has not faced a relative or a family member who has had a large medical bill. So it sounds like something that would benefit people who have gone through medical crises.

With each example of that, you could select another example of someone, let's say, who had had elective surgery or a type of plastic surgery who then had just not paid his bills for a few years. That might be an example to which we would all say, well, that wasn't intended, and that information would not be shared with lenders or with a landlord or whomever.

As I say, I think that this is something Congress can decide, and you obviously have some bipartisan support for this bill.

Mr. JOHNSON of Georgia. Mr. Speaker, today I rise in support of H.R. 3421, the Medical Debt Relief Act of 2009, which will ease the financial burden shouldered by American families facing unaffordable but necessary health care expenses.

Millions of Americans—especially unemployed Americans—struggle to afford the health care they need. Illness can befall anyone, and the financial burdens can be devastating. According to a joint study conducted by Harvard Law School and Harvard Medical School, almost half of Americans who file for bankruptcy do so because of medical expenses. In my district, there were 2,200 health care related bankruptcies in 2008 alone.

The Medical Debt Relief Act will ensure that Americans who have paid or settled their medical debt in full will have that medical debt removed from their credit records. Americans who are no longer indebted by medical expenses should not continue to be penalized and suffer from compromised financial standing and poor credit simply because they needed more time to fully pay off medical bills that can often be insurmountable.

I supported the historic health care reform we passed this Congress because I believe that quality health care should not be a privilege reserved for those with means. The Medical Debt Relief Act, is another step in the right direction. I support this legislation because it will protect Americans from some of the unnecessary, lifelong financial hardships that can arise from illness.

I hope my colleagues will join me and other bipartisan supporters of this common sense legislation to improve quality of life and financial security for hard working American families that have fully paid off or settled their medical debt.

Mr. BACHUS. I yield back the balance of my time.

Ms. KILROY. This is a bill that will help millions of Americans, and I ask my colleagues for their support.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CRITZ). The question is on the motion offered by the gentlewoman from Ohio (Ms. KILROY) that the House suspend the rules and pass the bill, H.R. 3421, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BACHUS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### SMALL BUSINESS JOBS ACT AMENDMENT

Mr. MILLER of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6191) to amend the Small Business Jobs Act of 2010 to include certain construction and land development loans in the definition of small business lending.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6191

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. AMENDMENT.

Section 4102(18)(A) of the Small Business Jobs Act of 2010 is amended by adding at the end the following new clause:

“(V) CONSTRUCTION, LAND DEVELOPMENT, AND OTHER LAND LOANS.—

“(I) IN GENERAL.—Loans secured by real estate—

“(aa) that are made to finance—

“(AA) land development that is preparatory to erecting new structures, including improving land, laying sewers, and laying water pipes; or

“(BB) the on-site construction of industrial, commercial, residential, or farm buildings;

“(bb) that is vacant land, except land known to be used or usable for agricultural purposes, such as crop and livestock production;

“(cc) the proceeds of which are to be used to acquire and improve developed or undeveloped property; or

“(dd) that are made under title I or title X of the National Housing Act.

“(II) CONSTRUCTION INDUSTRY REQUIREMENT.—Subclause (I) shall only apply to loans that are extended to small business concerns in the construction industry, as such term is defined by the Secretary in consultation with the Administrator of the Small Business Administration.

“(III) CONSTRUCTION DEFINED.—For purposes of this clause, the term ‘construction’

includes the construction of new structures, additions or alterations to existing structures, and the demolition of existing structures to make way for new structures.”.

#### SEC. 2. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the later of the following:

(1) The date of the enactment of this Act.

(2) The date of the enactment of the Small Business Jobs Act of 2010.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MILLER) and the gentleman from Minnesota (Mr. PAULSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

#### GENERAL LEAVE

Mr. MILLER of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MILLER of North Carolina. I yield myself such time as I may consume.

Mr. Speaker, this bill amends the Small Business Lending Fund legislation that the President signed just yesterday. The bill is identical to a House amendment that passed 418-3 but was left out of the other body's version of the legislation for reasons that surpass understanding.

□ 1810

This bill, like the amendment, adds land acquisition and construction loans to the loans that qualify for the Small Business Lending Fund. The sad truth is that in many—really, most—parts of the country this bill will not have a lot of effect right away. Under the SBLF, community banks are on the hook if they make loans that don't get paid back, and they're going to steer clear of acquisition, development, and construction loans for home building until the demand for new housing improves.

Around the country, there is an enormous inventory of existing homes, on or off the market. Because so much of the foolishness that led to the financial crisis was connected to housing, the housing sector of our economy remains very sick and won't get well right away. There are millions of foreclosed homes and homes destined for foreclosure. Mr. Speaker, I wish everyone in Washington felt the urgency that I feel about fixing that problem.

But there are markets now that have a demand for new homes and home builders cannot get credit, ordinary loans, because of pressure from regulators on the smaller banks not to make real estate loans, not to make dirt loans.

That indiscriminate refusal to lend for residential construction is killing jobs. We've lost 3 million jobs in the last 5 years in home construction and related industries. The jobs we've lost