



July 30, 2022

Honorable Maxine Waters, Chair  
United State House Committee on Financial Services  
2129 Rayburn House Office Building, Washington, DC 20515

Honorable Patrick McHenry, Ranking Member  
United State House Committee on Financial Services  
2129 Rayburn House Office Building, Washington, DC 20515

Dear Chairwoman Waters and Ranking Member McHenry,

The NAME Coalition on behalf of its member organizations writes to express our support for the Credit Reporting Accuracy After a Legal Name Change Act (H.R. 8478)<sup>1</sup> (the “Act”). This important law will protect transgender<sup>2</sup> and nonbinary<sup>3</sup> people from discrimination in credit, insurance, housing, and employment. It will also improve the accuracy of the consumer reporting industry, which will also support the health and wellbeing of transgender and nonbinary people, as well as all other people who obtain legal name changes in the United States.

The NAME Coalition, which stands for Name Acknowledgement Means Everything, is a coalition of LGBTQ+, consumer, and legal advocacy organizations committed to ensuring that transgender and nonbinary people who change their names can quickly and easily update their name on all their financial and government records—including consumer reports, financial accounts, tax records, social security records, and loans.

Consumer and credit reports are critical for people in the United States to access credit, insurance, housing, and employment.<sup>4</sup> Consumer and credit reports are used by underwriters, landlords, and hiring managers to evaluate individuals for loans, insurance policies, leases, and jobs.<sup>5</sup> Inaccurate or a lack of information showing a positive credit history in a credit report can lead to unfair denials for credit, housing, or jobs.<sup>6</sup> Millions of Americans suffer from inadequate access to these essentials and experience financial insecurity because they have inaccurate credit files or little-to-no credit history.<sup>7</sup>

H.R. 8478 will amend the §605(a) of the Fair Credit Reporting Act (FCRA)<sup>8</sup> to prohibit consumer reporting agencies (CRAs) from disclosing of consumers’ previous names to users of consumer or credit reports when the consumer submits a request that the CRA only use their current legal name on their

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<sup>1</sup> H.R. 8478, [The Credit Reporting Accuracy After a Legal Name Change Act](#), 117th Cong. (2022).

<sup>2</sup> The term “transgender” describes a person whose gender identity and/or expression are not aligned with the gender they were assigned at birth. “Transgender” is also used as an umbrella term encompassing a large number of identities related to gender nonconformity. GLSEN, [Key Concepts and Terms](#) (2014).

<sup>3</sup> Nonbinary people have a gender identity that does not fit into the male/female binary. They are often included under the umbrella term of transgender, a community that refers to people whose gender identity does not correspond with their sex assigned at birth. While transgender and nonbinary people are often discussed as a group, there are many distinct genders within this group. DICTIONARY.COM, [What Does the Term “Nonbinary” Really Mean?](#) (July 14, 2021).

<sup>4</sup> A consumer report is a document generated from a consumer’s file made at a consumer reporting agency (a “CRA”), and a credit report is a specific type of consumer report that collects information about consumers’ history with credit. 15 USC § 1681a(d)(1); CFPB, [What is a Credit Report?](#) (September 1, 2020).

<sup>5</sup> CFPB, *supra* note 4; Thomas A Durkin et al., CONSUMER CREDIT AND THE AMERICAN ECONOMY (Oxford Univ. Press 2014).

<sup>6</sup> Chi Chi Wu, Michael Best, and Sarah Bolling Mancini, [Automated Injustice Redux](#), NCLC (February 2019).

<sup>7</sup> *Id.*; CFPB, Data Point: [Credit Invisibles](#) (May 2015) NCLC, [Credit Invisibility and Alternative Data: Promises and Perils](#) (July 2019).

<sup>8</sup> 15 U.S.C. 1681c(a).

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consumer report. Additionally, it will encourage the Bureau of Consumer Financial Protection (CFPB) to enforce its existing authority under FCRA to guarantee the accuracy of consumer reports by requiring CRA's to improve matching algorithms, establish a system to allow a consumer to submit a single request to update their consumer reports, create clear internal procedures and training to update a consumers' name when presented with such a request, and to develop methods to detect when a consumer changes their name and to match that credit information with the correct credit file.

This important legislation will fix a myriad number of issues for transgender and nonbinary consumers with their credit reports after a legal name change, which many consumers report.<sup>9</sup> A review of the CFPB's consumer complaint database by the NAME Coalition has uncovered more than 60 accounts from individuals who changed their names describing issues with the "Big Three" credit bureaus: Equifax, Experian, and Transunion.<sup>10</sup> In addition to these complaints, a separate story collection organized by the NAME Coalition about this problem has elicited 45 stories from transgender and nonbinary people describing issues with their credit reports as of July 2022.<sup>11</sup>

**1. People who change their first or full name experience fragmented credit files, inaccuracies in their credit report, drops in their credit score, and inability to access their credit files after a legal name change.**

Although credit bureaus have been able to accommodate last name changes for reason of marriage or divorce for decades, they struggle to do so for first or full name changes. After legally changing their first or full names consumers can face a variety of challenges with their credit reports, such as:

- **At times a consumer's credit report splits (or "fragments")** into two or more credit reports in different names after their name change.<sup>12</sup> These fragmented credit files contain only a portion of the persons credit information, which can lead to a loss of positive credit history as well as a drop in the consumers credit score.
- **Some consumers find that their credit report is completely empty** after their name change and that they have no credit history at all.<sup>13</sup>
- **Some consumers are unable to access their credit reports entirely** after their name change.<sup>14</sup>

The loss of credit history and score has led to unfair obstacles or denials for employment, housing, and loans for many consumers.<sup>15</sup> Inability to access these essentials can contribute to underemployment,

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<sup>9</sup> Lars Mackenzie, *The Afterlife of Data: Identity, Surveillance, and Capitalism in Trans Credit Reporting*, TRANSGENDER STUDIES QUARTERLY (February 2017); The NAME Coalition, *Credit Report Challenges for Trans Consumers* (March 2022); CLEAR Finance Chat Podcast, *Trans & Queer Credit Report Issues with Billie Simmons from Daylight* (March 5, 2021).

<sup>10</sup> THE NAME COALITION, *Credit Chaos*, (forthcoming August 2022) (complaints on file with the NAME Coalition).

<sup>11</sup> THE NAME COALITION, *Name Change and Financial Record Story Collection July 2021 - July 2022*, (data on file with the Center for LGBTQ Economic Advancement & Research)

<sup>12</sup> CFPB, *Complaint No. 3278454*, Consumer Complaint Database (Jun. 18, 2019) (describing that after informing creditors of a legal name change, their credit report split into two different credit files under the old and and new name)

<sup>13</sup> CFPB, *Complaint No. 4239050*, Consumer Complaint Database (Mar. 23, 2021) (discovering they had no credit history, FICO score or open trade lines on Experian after applying for a business credit card after starting an LLC); CFPB, *Complaint No. 3633996*, Consumer Complaint Database (May 2, 2020) (stating that their entire "credit report keeps vanishing completely")

<sup>14</sup> CFBP, *Complaint No. 3359132*, Consumer Complaint Database (Aug. 30, 2019). (writing "I am trying to open a line of credit, and my banks are unable to validate my identity with the credit agencies... Because of this I am still unable to access my credit, open a line or do anything."); CFPB, *Complaint No. 3751664*, Consumer Complaint Database (Jul. 17, 2020) (complaining that Equifax "unknowingly placed a block on [their] account and now [they] have no access to [their] credit score.")

<sup>15</sup> CFPB, *Complaint No. 2417729*, Consumer Complaint Database (Apr. 4, 2017) (discovering the issue when applying for a credit card); CFPB, *Complaint No. 3402421*, Consumer Complaint Database (Oct. 10, 2019) (discovering the issue when applying for a mortgage); CFPB, *Complaint No. 3537474*, Consumer Complaint Database (Feb. 19, 2020) ("I will need this

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poverty, housing insecurity, and food insecurity—all of which disproportionately affect trans consumers, as described in the Section 3 of this letter. Consumers have reported inadequate procedures and staff who are not trained to work with consumers to update their name on their credit report.<sup>16</sup> One consumer complains that they “want to give them the benefit of the doubt that this is a bad clerical issue and not an [sic] lack of competency in working with trans people. However, when [they] asked a supervisor about it[,] she acknowledged that they have had no formal training or guidance on working with trans people.”<sup>17</sup> Additionally they complain Equifax employees were ““confused when I expressed frustration at how often I was addressed as Ma'am by Equifax employees while trying to get this addressed.”<sup>18</sup>

## **2. Consumer report inaccuracies after a legal name change potentially affect hundreds of thousands of transgender and nonbinary consumers.**

Although not all transgender or nonbinary people will seek a legal name change to match their gender-identity, many do. According to a national survey by the National Center for Transgender Equality (NCTE), over a third (36%) of transgender people have sought a legal name change, as did 11% of nonbinary people.<sup>19</sup> Three-in-ten (30%) transgender people who had sought a name change had successfully changed their legal names. There are over 1.4 million adults who identify as transgender, and 1.2 million adults who identified as nonbinary.<sup>20</sup> Based on these current population estimates, evidence suggests that over 420,000 transgender people in the United States alone have changed their legal names, as have more than 132,000 nonbinary people—who may be impacted by this issue.

Transgender and nonbinary people report obstacles to changing their name on all their identification documents and other important records. In the NCTE study, only 11% of respondents reported that all their IDs and records listed both the name and gender they preferred. Rates were even lower for those who were undocumented (4%), those aged 18–24 (5%), and those with no income (6%).<sup>21</sup> The numerous stories collected by the NAME Coalition also show that documentation issues after a legal name change include individuals’ consumer reports, credit reports, and scores, among other financial records.<sup>22</sup>

## **3. Disclosure of transgender and nonbinary people’s previous names in their consumer reports leads to discrimination and unfair treatment.**

Even when consumers only have one credit file after their name change, credit reports continue to contain their prior names, which can allow a person who receives the report to infer the individuals’ gender

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resolved ASAP as I need my mortgage to be processed.”); CFPB, *Complaint No. 3831028*, Consumer Complaint Database (Sept. 4, 2020) (discovering an issue when applying for a new apartment); CFPB, *Complaint No. 3335701*, Consumer Complaint Database (Aug. 9, 2019) (writing that “I am credit invisible” and have been “declined a prepaid Visa card due to this and it’s ruining my life”)

<sup>16</sup> CFPB, *Complaint No. 3831028*, Consumer Complaint Database (Sept. 4, 2020) (saying they “get bounced around to different departments” and “no one takes responsibility for the problem.”); CFPB, *Complaint No. 3393214*, Consumer Complaint Database (Oct. 10, 2019) (“I have spent several hours on the phone with them and again have received different advice from each person I talked with.”)

<sup>17</sup> CFPB, *Complaint No. 3393214*, Consumer Complaint Database (Oct. 2, 2019)

<sup>18</sup> *Id.*

<sup>19</sup> Sandy E. James et. al., *The Report of the 2015 U.S. Transgender Survey*, 86 NATIONAL CENTER FOR TRANSGENDER EQUALITY (2016).

<sup>20</sup> Jody L. Herman, Andrew R. Flores, Kathryn K. O’Neill, [How Many Adults and Youth Identify as Transgender in the United States?](#), WILLIAMS INSTITUTE AT UCLA L. SCH. (June 2022);

<sup>21</sup> *The Report of the 2015 U.S. Transgender Survey*, *supra* note 17.

<sup>22</sup> *Supra* note 11.

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identity.<sup>23</sup> Disclosure of this unneeded information to a hiring manager, landlord, realtor, or underwriter can open the individual to harassment and discriminatory denial for employment, housing, or credit.

Transgender adults are subject to widespread discrimination and harassment in employment, housing, and credit. Nearly half of transgender adults (48%) report being fired or not hired based on their LGBTQ+ identity, and 45% report harassment and hostile treatment on the job from supervisors and coworkers.<sup>24</sup> Nearly one-quarter (23%) of transgender people experienced some form of housing discrimination in the past year, such as being evicted from their home or denied a home or apartment because of being transgender.<sup>25</sup> In 2022, 67% of transgender people, and 41% of nonbinary people reported experiencing discrimination by someone in the financial services industry.<sup>26</sup>

The toxic financial effects of discrimination harm transgender and nonbinary people's families and wider community. Inadequate access to housing, employment, and credit contribute to poverty, housing insecurity, and food insecurity among transgender people. One in three transgender households live in poverty (29%), with even higher levels of poverty for Black transgender adults (38%) and Hispanic transgender adults (48%).<sup>27</sup> Nearly one-third (30%) of transgender people have experienced homelessness at some point in their lives.<sup>28</sup> Transgender people were nearly 2.5x more likely than cisgender people to face food insufficiency during the pandemic (20% vs. 8%).<sup>29</sup>

Discrimination against transgender and nonbinary people in employment, housing, and credit also has aggregate costs for their local economies and the entire economy. It is well-accepted within modern economics that discrimination leads to economic inefficiency and dysfunction.<sup>30</sup> Although the sum-total of these economic costs are difficult to measure, they undoubtedly add up to millions of dollars of lost economic activity from the U.S. economy.

When a consumer receives a consumer report, or a solicitation for a good or service based on a consumer report that addresses them by their former name, it can discourage or harm the consumer.<sup>31</sup> A person's previous name (or "deadname") and their current name often have emotional or psychological importance to a person. "Deadnaming" a person (i.e., calling them by a previous name) can result in emotional and psychological harm—whereas recognition of a person's legal name has emotional and psychological benefits.<sup>32</sup> Consequently, deadnaming consumers in consumer reports can create psychological harm and discourage transgender and nonbinary people from employment, housing, or credit opportunities.

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<sup>23</sup> CLEAR Finance Chat, *supra* note 9.

<sup>24</sup> Brad Sears et al., [LGBT People's Experiences of Workplace Discrimination and Harassment](#), WILLIAMS INSTITUTE AT UCLA L. SCH. (September 2021)

<sup>25</sup> *The Report of the 2015 U.S. Transgender Survey*, *supra* note 17 at 176.

<sup>26</sup> Over half of transgender people (59%) and over a third of nonbinary people (37%) said the discrimination they experienced was attributable to them being an LGBTQ+ person. Jack Caporal, [LGBTQ+ Finances: A Survey of 2,005 Americans](#), THE MOTLEY FOOL (July 14, 2022)

<sup>27</sup> M.V. Lee Badgett, Soon Kyu Choi, & Bianca D.M. Wilson, [LGBT Poverty in the United States](#), WILLIAMS INSTITUTE AT UCLA SCH. L 14 (October 2019)

<sup>28</sup> *The Report of the 2015 U.S. Transgender Survey*, *supra* note 17 at 176.

<sup>29</sup> Kerith J. Conron & Kathryn K. O'Neill, [Food Insufficiency Among Transgender Adults During the COVID-19 Pandemic](#), WILLIAMS INSTITUTE AT UCLA SCH. L (April 2022).

<sup>30</sup> See generally Gary S. Becker, *THE ECONOMICS OF DISCRIMINATION* (University of Chicago Press, 1957); Durkin, *supra* note 5 at 425-439; M.V. Lee Badgett, *THE ECONOMIC CASE FOR LGBT EQUALITY* (Beacon Press 2020).

<sup>31</sup> CLEAR Finance Chat, *supra* note 9.

<sup>32</sup> Stephen T. Russel et al., [Chosen Name Use is Linked to Reduced Depressive Symptoms, Suicidal Ideation and Behavior among Transgender Youth](#), 63(4) J ADOLESC HEALTH 503 (October 2018)

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#### **4. Current consumer and credit reporting industry policies adopted are insufficient to prevent harms to transgender and nonbinary consumers and others who change their legal names.**

In 2022, the credit bureaus announced that they would enable people who have legally changed their name to submit documentation of their name change (e.g., a court order), and that the bureaus would change the name on their credit report.<sup>33</sup> In response, 145 LGBTQ+, consumer, and legal advocacy organizations sent the Big Three credit bureaus and the Credit Data Industry Association (CDIA) their trade association a letter expressing that their steps were necessary, but not sufficient, to correct the myriad issues that transgender and nonbinary people experience with their credit reports.<sup>34</sup>

The organizations' letter acknowledged that the credit bureaus' policies to update consumers' names on their credit reports would be an improvement, but it would not: (1) prevent the fragmentation of credit files after a name change, (2) enable people who changed their name to have their credit history follow them without undergoing an onerous process of notifying each of their prior creditors of their name change, or (3) prevent a user of a credit report (e.g., an employer, landlord, or underwriter) from inferring that person's gender identity.

H.R. 8478 will fill the gaps left by in credit bureaus' current policies by:

1. Advising the CFPB to enforce the current accuracy requirements under FCRA to prevent the fragmentation of credit files for consumers after a legal name change by improving matching algorithms.<sup>35</sup>
2. Advising the CFPB to reduce the burden on consumers to notify all their prior creditors by requiring credit bureaus to create a process to enable credit history to follow a consumer after a name change by establishing procedures to detect when a consumer updates their legal name with a creditor—and creating a system that allows a consumer to submit a single request to update their legal name with CRAs.<sup>36</sup>
3. Preventing the disclosure of a deadname to an employer, landlord, or creditor and thereby prevent discrimination against transgender and nonbinary people based on their gender identity.<sup>37</sup>

#### **5. Conclusion**

H.R. 8478 will prevent discrimination and unfair treatment against transgender and nonbinary people in lending, insurance, housing, and employment by preventing decision-makers from inferring applicants' gender-identity when evaluating them for loans, leases, or jobs.

The Act will also improve accuracy in consumer and credit reporting for all people who change their first or full names by encouraging the CFPB to undertake needed actions under its existing authority to enforce the Fair Credit Reporting Act fully for those consumers. These changes will significantly improve the financial health and well-being for the many transgender and nonbinary people who live in the United States, their families, their communities, and the entire United States economy.

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<sup>33</sup> CDIA, [Credit Reporting Industry: Helping Transgender and Nonbinary Individuals Prevent Potential Disruptions to Their Credit](#) (February 2, 2022); Equifax, [How Transgender People Can Change Their Name On Their Equifax Credit Report](#) (2021); Experian, [Experian Supports Transgender and Non-binary Consumers with Name Change Process on Credit Reports](#) (January 31, 2022); Transunion, [Transgender Name Change: Update Your Credit Report](#) (March 15, 2022).

<sup>34</sup> [Letter from 145 Organizations to Equifax, Experian, Transunion, and CDIA](#) (February 24, 2022)

<sup>35</sup> H.R. 8478 §2(b)(1), 117th Cong. (2022)

<sup>36</sup> H.R. 8478 §2(b)(2-4), 117th Cong. (2022)

<sup>37</sup> H.R. 8478 §3, 117th Cong. (2022)

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For the foregoing reasons, we urge you to support the Credit Reporting Accuracy After a Legal Name Change Act (H.R. 8478). For any questions regarding this letter, please contact the NAME Coalition Co-Leads, Spencer Watson, Executive Director for CLEAR, at [spencer@lgbtq-economics.org](mailto:spencer@lgbtq-economics.org) and Valerie Ploumpis, National Policy Director for Equality California at [valerie@eqca.org](mailto:valerie@eqca.org).

Sincerely,



The Name Coalition