

1 HOUSE BILL NO. 1370  
 2 AMENDMENT IN THE NATURE OF A SUBSTITUTE  
 3 (Proposed by the House Committee on Labor and Commerce  
 4 on \_\_\_\_\_)  
 5 (Patron Prior to Substitute--Delegate Delaney)

6 A BILL to amend and reenact § 59.1-444.1 of the Code of Virginia and to amend the Code of Virginia by  
 7 adding in Chapter 35.1 of Title 59.1 a section numbered 59.1-444.4, relating to reporting of  
 8 medical debt to consumer reporting agencies by certain health care providers; prohibited; civil  
 9 penalties.

10 **Be it enacted by the General Assembly of Virginia:**

11 **1. That § 59.1-444.1 of the Code of Virginia is amended and reenacted and that the Code of Virginia**  
 12 **is amended by adding in Chapter 35.1 of Title 59.1 a section numbered 59.1-444.4 as follows:**

13 CHAPTER 35.1.

14 ~~SECURITY FREEZES~~ CONSUMER REPORTING AGENCIES.

15 **§ 59.1-444.1. Definitions.**

16 As used in this chapter:

17 "Collection entity" means any person that purchases debt or collects debt on behalf of another  
 18 entity.

19 "Consumer" means an individual who is also a resident of this state.

20 "Consumer report" has the same meaning as provided in § 603(d) of the federal Fair Credit  
 21 Reporting Act (15 U.S.C. § 1681a(d)).

22 "Consumer reporting agency" has the same meaning as in § 603(f) of the Fair Credit Reporting  
 23 Act (15 U.S.C. § 1681a(f)).

24 "Credit report" means a "consumer report," ~~as defined in § 603(d) of the Fair Credit Reporting Act~~  
 25 ~~(15 U.S.C. § 1681a(d))~~; provided, however, that for purposes of this chapter, a credit report is limited to  
 26 information that a consumer reporting agency furnishes to a person that it has reason to believe intends to

27 use the information as a factor in establishing the consumer's eligibility for credit to be used primarily for  
28 personal, family or household purposes.

29 "Health care services" means the furnishing of services for the purpose of preventing, alleviating,  
30 curing, or healing human physical illness or injury or a mental or behavioral condition or disorder.

31 "Medical debt" means debt arising from health care services, including products, devices, durable  
32 medical equipment, and prescription drugs, and from the provision of transportation to receive health care  
33 services. "Medical debt" does not include debt charged to a credit card.

34 "Proper identification" means proper identification as defined in 15 U.S.C. § 1681h(a)(1).

35 **§ 59.1-444.4. Reporting of medical debt prohibited; civil penalty.**

36 A. No medical care facility listed in § 32.1-102.1:3, no person licensed or certified by a health  
37 regulatory board within the Department of Health Professions, and no emergency medical services agency,  
38 as defined in § 32.1-111.1, shall report any portion of a medical debt to a consumer reporting agency.

39 B. No collection entity collecting or attempting to collect a medical debt shall report such  
40 collection or attempts to collect to a consumer reporting agency.

41 C. The Attorney General may initiate an action in the name of the Commonwealth and may seek  
42 an injunction to restrain any violations of this section and impose civil penalties of up to \$500 for each  
43 violation of this section. Such civil penalties shall be paid into the Literary Fund. The Attorney General  
44 may recover reasonable expenses incurred in investigating and preparing the case, including attorney fees,  
45 in any action initiated under this section.

46 D. In addition to any civil penalty provided by this section, any person who is aggrieved by a  
47 violation of this section shall be entitled to initiate an action against any responsible person to enjoin such  
48 violation and to recover from any responsible person actual damages or \$500, whichever is greater, plus  
49 reasonable attorney fees and costs.

50 E. In any action brought pursuant to this section, the court may order the underlying medical debt  
51 to be void.

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