



Division of Financial Practices

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**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580**

June 4, 1999

Dear Mr. Rosen:

This responds to your letter requesting the views of the Commission's staff relating to the reporting by a consumer reporting agency ("CRA") of a convict's parole under Section 605(a) of the Fair Credit Reporting Act ("FCRA"). You note that it has been the Commission's view that the *start* of parole (rather than the termination) commences the 7-year period allowed by that provision,⁽¹⁾ and ask "whether the violation of Probation or Parole reactivates a new seven (7) year period pursuant to Section 605."

Sections 605(a)(1-4) of the amended FCRA provides specific rules relating to the reporting of information related to bankruptcies, suits and judgments, paid tax liens, and certain credit accounts. Section 605(a)(5) provides that a CRA may not report "Any other adverse item of information, other than records of convictions of crimes, which antedates the report by more than seven years." In our view, a parole has a seven-year reporting period starting the day the parole commences, and the violation is a discrete item of "adverse information" with a different starting date. In other words, there may be more than one date applicable to different events related to the parole, in the same manner as there may be different periods for different events relating to a credit account (e.g., collection, suit, judgment). Therefore, it is our opinion that a violation of parole, or of probation, is an item of "adverse information" that can reported for seven years from the date the violation occurred.

The opinions set forth in this informal staff letter are not binding on the Commission.

Sincerely yours,

Clarke W. Brinckerhoff

1. Commentary on the Fair Credit Reporting Act, 16 CFR § 600 Appendix; 55 Fed. Reg. 18,804, 18,818 (May 4, 1990). Comment 605(a)(5)-2 states that "the date of ... placement on parole controls" the 7-year period for reporting the parole. This comment was based on prior Section 605(a)(5), which specifically referred to parole

and other events relating to criminal records. The "Consumer Reporting Clarification Act of 1998" (Public Law 105-347), which removed all restrictions in Section 605(a) on the reporting of criminal convictions by CRAs, deleted that provision. Parole events are now covered by the "other adverse information" terminology of the current Section 605(a)(5), as discussed in the text of this letter.