

## Opening Statement

**Congressman Paul E. Gillmor (R-OH)**

**Subcommittee on Financial Institutions and Consumer Credit**

**May 12, 2005**

*Hearing entitled: "Helping Consumers Obtain the Credit They Deserve."*

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I want to thank the Chairman for calling this hearing today. Throughout the last decade, our citizens have increasingly participated in our capital markets and in our housing markets. Stockownership and homeownership are at all-time highs as Americans have become comfortable with the options that are available to them. The FACT Act, one of this Committee's greatest accomplishments from the 108<sup>th</sup> Congress, works to ensure that the American people have the tools to protect this expanding credit history and have access to a free annual credit report.

For a large portion of our country, however, access to our deep credit markets may be unavailable as they have failed to gain a sufficient credit history. This population, typically consisting of young Americans, minorities and recent immigrants, have not had the opportunity to establish a strong credit history and a good credit score. Often times, their lack of a strong credit history is not indicative of credit risk, but instead is due to a lack of eligible credit building venues.

There have been discussions recently about ways in which a timely payment history for rent, utility bills, telephone, rent-to-own, day care and other such transactions can be included in an individuals credit history. With millions of Americans participating in these activities each day, there may be a way to capture this payment history and build credit.

I look forward to hearing our distinguished panel discuss alternative sources of credit reporting and thank the Chairman for calling this important hearing.