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ACLU OF RI POSITION: SUPPORT

TESTIMONY ON 26-H 7762, RELATING TO PROPERTY – FAIR CHANCE IN HOUSING CREDIT REPORTS ACT March 18, 2026

The ACLU of Rhode Island supports this legislation which would provide standards for the use of credit reports by landlords in considering a rental application.

Limiting a landlord's access to only three years of an individual's credit history is an important tool in tackling the state's housing crisis and preventing discrimination in housing. Credit reports do not predict a person's current ability to pay; they only reflect their past ability to pay. An individual's financial situation often fluctuates, and their credit history from more than three years prior is not indicative of their current economic standing. Limiting the credit check to three years allows an applicant to present an accurate look at their financial status, without fear that their older financial history could serve as a barrier to adequate housing. Additionally, credit reports are often unreliable. These reports frequently contain errors, the correcting of which has proven to be increasingly more difficult.¹

A 2015 report from the Consumer Financial Protection Bureau noted that approximately 26 million adult Americans are considered "credit invisible,"² meaning they lack sufficient credit history to generate a score or do not have any credit history at all. This disproportionately impacts Black and Latinx consumers, and individuals in lower-income neighborhoods. As a result, many qualified renters and applicants are effectively shut out of adequate housing opportunities, not because they lack sufficient resources to pay their rent, but because their financial situation is not reflected in this system. Passage of this legislation would ameliorate this problem.

Thank you for considering our views.

¹<https://www.propublica.org/article/credit-report-mistakes-cfpb-experian-transunion>

²<https://www.consumerfinance.gov/about-us/blog/who-are-credit-invisible/>