UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

CONSUMER DATA INDUSTRY ASSOCIATION,	§	
	§	**No. 1:19-CV-00876-RP**
Plaintiff,	§	
	§	
v.	§	
	§	
STATE OF TEXAS THROUGH KEN PAXTON, IN HIS OFFICIAL CAPACITY AS ATTORNEY GENERAL FOR THE STATE OF TEXAS,	§	
	§	
Defendant.	§	

<u>JOINT STATUS REPORT</u>

Pursuant to the Court's Text Order continuing the agreed-upon stay in this case (via Text Order dated 4/3/2025) Plaintiff Consumer Data Industry Association ("CDIA"), and Defendant State of Texas through Ken Paxton, in his Official Capacity as Attorney General for the State of Texas (collectively "the Parties"), hereby submit the following status report, and jointly seek a continued stay of the case in light of the significant developments detailed below.

The Consumer Financial Protection Bureau ("CFPB") issued a notice of proposed rulemaking on June 11, 2024 proposing to largely ban the reporting of medical debt information in consumer reports, which could have implications on this case.[1] The comment period closed on August, 12, 2024 and over 70,000 people submitted comments on the rule, including CDIA and its members. The CFPB published a final rule January 7, 2025, largely adopting the restrictions

[1] The proposed rule can be found at: https://files.consumerfinance.gov/f/documents/cfpb_fcra-med-debt-proposed-rule_2024-06.pdf

on reporting information in the notice of proposed rulemaking to prevent the reporting of medical debt in a large percentage of consumer reports.[2]

Shortly after its publication, industry trade associations, including CDIA, filed a Complaint in the U.S. District Court for the Eastern District of Texas, seeking a declaratory judgment that the rulemaking violated the Administrative Procedures Act, and that CFPB exceeded its authority with respect to that rulemaking.[3] The parties negotiated a proposed consent judgment, which would enter judgment in CDIA's favor, which has been submitted to the court. Third parties moved to intervene in the case and brief the issue, which intervention was permitted by the Court. At this time, all parties and intervenors have now briefed the pending issues, including whether the court should enter the consent order, rule on the plaintiffs' motion for a preliminary injunction, or issue a final ruling on the merits of the case. The court also extended the stay of the effective date of the Medical Debt Rule to August 11, 2025, which should allow the court time to consider the various arguments and issues pending before it.

Determining the scope and effect of Medical Debt Rule, and its implications on the issues and rights of the parties before this Court, is still of critical importance. Thus, the Parties respectfully and jointly submit that the Court enter an order further extending the stay of this case for roughly 60 days, to September 5, 2025.

Dated: July 3, 2025

[2]The final rule is published at 90 Fed. Reg. 3276 (Jan. 14, 2025), and may be found here: https://www.govinfo.gov/content/pkg/FR-2025-01-14/pdf/2024-30824.pdf (the "Medical Debt Rule").

Respectfully Submitted:

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[3] Cornerstone Credit Union League at al. v. Consumer Financial Protection Bureau, 4:25-cv-00016 (E.D. Tex. 2025).