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.		

JOINT STATUS REPORT

Pursuant to the Court's Text Order continuing the agreed-upon stay in this case (via Text Order dated July 7, 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 (the "State of Texas") (collectively "the Parties"), hereby submit the following status report, and jointly seek an additional thirty (30) day stay of the case in light of the significant developments detailed below.

As the Parties reported in the prior Joint Status Report, the Consumer Financial Protection Bureau ("CFPB") issued a final rule to largely ban the reporting of medical debt information in consumer reports.[1] Shortly after its publication, industry trade associations, including CDIA, filed a Complaint in the U.S. District Court for the Eastern District of Texas,

[1]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").

seeking a declaratory judgment that the rulemaking violated the Administrative Procedures Act, and that CFPB exceeded its authority with respect to that rulemaking.

On July 11, 2025, the court issued a decision holding that the CFPB's rule was "irreconcilable" with certain provisions of the FCRA that specifically permit reporting medical debt information, and that the rule "contradict[ed] the plain text of" those provisions. *Cornerstone Credit Union League, et al. v. Consumer Financial Protection Bureau, et al.,* No. 4:25-CV-16-SDJ, 2025 WL 1920148, *9-10 (E.D. Tex. July 11, 2025). The court also recognized that state law also "cannot prohibit what a federal statute explicitly permits," and thus "any state law purporting to prohibit a CRA from furnishing a credit report with coded medical information would be inconsistent with FCRA and therefore preempted." *Id.* at 12.

The Attorney General for the State of Texas requested additional time to consider the implications of the court's decision in *Cornerstone* on this case, to which CDIA consented, and the parties submitted a joint request for an additional thirty (30) days' stay for that purpose, which was granted by this Court by text order on September 9, 2025.

The parties have continued to evaluate the implications of these developments on this case individually, but still require additional time to consider the appropriate path forward. Thus, the Parties respectfully and jointly request that the Court enter an order further extending the stay of this case for an additional 30 days, to November 5, 2025.

Dated: October 6, 2025

Respectfully Submitted:

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