

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

**CONSUMER DATA INDUSTRY
ASSOCIATION,**

Plaintiff,

$$V.$$

**STATE OF TEXAS THROUGH
KEN PAXTON, IN HIS
OFFICIAL CAPACITY AS
ATTORNEY GENERAL FOR THE
STATE OF TEXAS,**

Defendant.

No. 1:19-CV-00876-RP

JOINT STATUS REPORT

Pursuant to the Court’s Text Order continuing the agreed-upon stay in this case (via Text Order dated October 7, 2025, Dkt. 83) 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 request that this Court lift the stay in place in this case and enter an order setting the agreed-upon briefing schedule in this case, 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,

¹The 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 parties have both taken time to consider the implications of the court's decision in *Cornerstone* on this case, and discuss a proposed plan for the remainder of this case. At this time, the parties agree that the stay should be lifted; that there is no need for additional discovery in this case; and that proceeding to a motion for summary judgment is appropriate at this time. The parties have agreed to work together to determine if there are any facts to which both sides may stipulate to for the purpose of CDIA's motion for summary judgment.

Therefore, the parties jointly request that this Court lift the stay of this case, and enter a briefing schedule as follows:

1. CDIA shall file its motion for summary judgment on or before November 17, 2025, together with any stipulation regarding facts to be considered in connection with this motion for summary judgment;
2. Defendant Paxton shall file any opposition to CDIA's motion for summary judgment on or before December 19, 2025; and

3. CDIA shall file any reply brief in support of its motion on or before January 9, 2026.

The parties further request that the Court set this matter for oral argument in January 2026.

Dated: November 5, 2025

Respectfully Submitted:

/s/ Jennifer L. Sarvadi

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