



News

Akeela White Analyzes a FCRA Case Decision Regarding Reasonable Investigation in ARM Compliance Digest

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In the November 14, 2022 edition of the *ARM Compliance Digest*, Hinshaw partner Akeela White discusses lessons offered by an Illinois District Court judge's decision to grant a defendant's motion for judgment on the pleadings after it was accused of violating the Fair Credit Reporting Act (FCRA) by not conducting a reasonable investigation after an account was disputed:

In *Angulo v. Truist Bank*, an Illinois district court dismissed a plaintiff's FCRA complaint, holding that a "bare allegation" of reputational harm and the humiliation of credit denial is not sufficient to satisfy the Article III standing requirement. Here, the plaintiff notified Equifax that he disputed the information in his credit report as inaccurately showing the pay status as 30 days past due at the time he paid the account in full and closed it. The CRA relayed the dispute to the defendant who allegedly failed to conduct a reasonable investigation of the account or correct or remove the disputed information. The plaintiff filed suit claiming that as a result the defendant's conduct, the plaintiff suffered harm in the form of "loss of credit, loss of ability to purchase and benefit from credit, a chilling effect on applications for future credit, and the mental and emotional pain, anguish, humiliation, and embarrassment of credit denial." The court held that these allegations lacked supporting facts necessary to clear the threshold Article III jurisdictional hurdle, and granted the plaintiff 30 days to amend the complaint to plead facts showing that he plausibly suffered a concrete particularized injury caused by defendant's alleged FCRA violation. This opinion provides useful guidance on what types of allegations a court may consider sufficient pleading of concrete harms – such as an actual application for and subsequent denial of credit- necessary to establish Article III standing following *Spokeo* and *TransUnion*.

[Read the full November 14, 2022 edition of the AccountsRecovery.net Compliance Digest](#)

"Judge Grants Motion for Defendant in FCRA Case Over Reasonable Investigation," *ARM Compliance Digest*, November 14, 2022.

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