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# Reframing Furnisher Obligations Under the FCRA: *Roberts v. Carter-Young* and the Objectively and Readily Verifiable Standard

## I. INTRODUCTION

Credit reports have a gatekeeping function for access to economic opportunity in America.<sup>1</sup> They affect whether consumers can qualify for mortgages, obtain car loans, secure rental housing, or gain employment.<sup>2</sup> Even when consumers qualify for credit, their credit report can affect the interest rate lenders charge them.<sup>3</sup> Given this extensive reach, inaccuracies in credit reporting carry serious consequences that shape whether and how consumers access fundamental aspects of economic life.<sup>4</sup>

National studies underscore the scale of the problem.<sup>5</sup> In 2012, the Federal Trade Commission (“FTC”) reported that more than twenty-six percent of consumers identified at least one potentially material error in their credit report, and about five percent had errors significant

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1. See Chi Chi Wu, *Automated Injustice: How a Mechanized Dispute System Frustrates Consumers Seeking to Fix Errors in Their Credit Reports*, 14 N.C. BANKING INST. 139, 139 (2010) (explaining that credit reports play a critical role in determining whether consumers can obtain credit, housing, insurance, and employment).

2. See CFPB, KEY DIMENSIONS AND PROCESSES IN THE U.S. CREDIT REPORTING SYSTEM: A REVIEW OF HOW THE NATION’S LARGEST CREDIT BUREAUS MANAGE CONSUMER DATA 4 (Dec. 2012), [https://files.consumerfinance.gov/f/201212\\_cfpb\\_credit-reporting-white-paper.pdf](https://files.consumerfinance.gov/f/201212_cfpb_credit-reporting-white-paper.pdf) [<https://perma.cc/PDU2-GQ49>] (noting credit reports are used in lending, housing, and employment decisions).

3. See *id.* (explaining that credit reports influence interest rates).

4. See Elizabeth D. De Armond, *Preventing Preemption: Finding Space for States to Regulate Consumers’ Credit Reports*, 2016 BYU L. REV. 365, 366–67 (explaining that inaccurate credit reports can deprive consumers of employment, housing, and credit); see also Wu, *supra* note 1, at 155 (observing that systemic credit report errors can prevent consumers from obtaining credit, housing, and employment opportunities).

5. See FTC, REPORT TO CONGRESS UNDER SECTION 319 OF THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003 6 (Jan. 2015), <https://www.ftc.gov/system/files/documents/reports/section-319-fair-accurate-credit-transactions-act-2003-sixth-interim-final-report-federal-trade/150121factareport.pdf> [<https://perma.cc/4NLQ-A9AN>] (finding that 26 percent of consumers identified at least one potentially material error and 5 percent experienced credit-risk-tier changes); CFPB, CONSUMER RESPONSE ANNUAL REPORT 9–11 (May 2025), [https://files.consumerfinance.gov/f/documents/cfpb\\_cr-annual-report\\_2025-05.pdf](https://files.consumerfinance.gov/f/documents/cfpb_cr-annual-report_2025-05.pdf) [<https://perma.cc/AR3A-B8WC>] (reporting that credit or consumer reporting was the most common category of complaints received).

enough to lower their credit risk tier.<sup>6</sup> The FTC defined a “potentially material error” as any inaccuracy capable of altering creditworthiness, such as misreporting accounts in collection or duplicating entries.<sup>7</sup> In 2024, the Consumer Financial Protection Bureau (“CFPB”) reported that consumers submitted over 2.7 million credit or consumer reporting complaints, accounting for eighty-five percent of all complaints received by the agency.<sup>8</sup> These figures demonstrate the persistent, real-world consequences of reporting errors.<sup>9</sup>

Congress has long recognized the risks that inaccuracies pose to consumer welfare and market efficiency.<sup>10</sup> In 1970, it enacted the Fair Credit Reporting Act (“FCRA”) to require the “maximum possible accuracy” in consumer credit reports.<sup>11</sup> The statute originally placed its accuracy obligations on consumer reporting agencies (“CRAs”).<sup>12</sup> However, this structure had an inherent weakness. CRAs compile rather than originate data, so faulty information from furnishers can persist even when CRAs follow reasonable procedures.<sup>13</sup>

To address this limitation, Congress amended the FCRA in 1996 by adding § 1681s-2, which imposed direct duties on furnishers to ensure accuracy and respond to consumer disputes.<sup>14</sup> Yet, the statute

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6. FTC, *supra* note 5.

7. FTC, REPORT TO CONGRESS UNDER SECTION 319 OF THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003 17–18 (Dec. 2012), <https://www.ftc.gov/sites/default/files/documents/reports/section-319-fair-and-accurate-credit-transactions-act-2003-fifth-interim-federal-trade-commission/130211factareport.pdf> [<https://perma.cc/HEC6-X2CH>].

8. CFPB, *supra* note 5, at 11 (noting that credit or consumer reporting accounted for 85 percent of all complaints received).

9. See De Armond, *supra* note 4 (detailing the real-world consequences of inaccuracies in consumer credit files, including loss of housing, employment, and access to credit); Wu, *supra* note 1, at 157–61 (discussing how automated dispute systems limit consumers’ ability to correct reporting errors).

10. See 115 CONG. REC. 2412 (1969) (statement of Sen. Proxmire) (explaining that the Act responded to growing consumer reporting abuses and was intended to ensure fairness in credit reporting).

11. Fair Credit Reporting Act, Pub. L. No. 91-508, § 607(b), 84 Stat. 1127, 1131 (1970) (codified as amended at 15 U.S.C. § 1681e(b)).

12. See 15 U.S.C. §§ 1681e(b), 1681i(a)(1)(A) (establishing CRA duties to ensure accuracy and reinvestigate disputed information).

13. See Wu, *supra* note 1, at 142–43 (explaining that the FCRA’s structure depends on furnishers); see also *Denan v. Trans Union LLC*, 959 F.3d 290, 294 (7th Cir. 2020) (explaining that consumer reporting agencies “compile information that furnishers provide” and generally do not verify data independently).

14. See Consumer Credit Reporting Reform Act of 1996, Pub. L. No. 104-208, § 2413, 110 Stat. 3009-426, 3009-447 (codified as amended at 15 U.S.C. § 1681s-2) (adding furnisher duties to provide accurate information and investigate disputes).

never defines what counts as an inaccuracy or how far a furnisher must go when reviewing a dispute, leaving courts to determine the scope of the investigative duty.<sup>15</sup> Some courts confine the furnisher’s duty to investigate to disputes they characterize as factual, while others focus on whether the disputed information can be confirmed through ordinary documentation.<sup>16</sup> These differing interpretations produced the modern circuit split over § 1681s-2(b).

The First, Seventh, and Tenth Circuits have adopted a restrictive “fact-law distinction.”<sup>17</sup> Under this approach, furnishers must correct factual mistakes, such as a misreported balance, but need not investigate disputes involving legal interpretation, such as whether a lease permits a particular fee.<sup>18</sup> These courts reason that the FCRA requires “reasonable investigations,” not legal adjudications, and that expecting furnishers to resolve legal questions would exceed their administrative role.<sup>19</sup>

Other circuits instead focus on whether a furnisher can actually verify the disputed information.<sup>20</sup> Courts adopting this view describe it as an “objectively and readily verifiable” standard, requiring

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15. See 15 U.S.C. § 1681s-2(b) (detailing furnisher duties but not defining “inaccuracy” or the scope of a “reasonable investigation”).

16. Compare *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010), *Denan*, 959 F.3d at 295–97, and *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1242 (10th Cir. 2015), with *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–45 (2d Cir. 2023), *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1367–68 (11th Cir. 2024), and *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 246–47, 251–52 (4th Cir. 2025) (contrasting circuits that exclude “legal” disputes from furnisher duties with those that focus on whether alleged inaccuracies are objectively and readily verifiable).

17. See *Chiang*, 595 F.3d at 38 (holding that furnishers need not determine the legal enforceability of disputed debts because such questions require legal interpretation beyond the scope of § 1681s-2(b)); *Denan*, 959 F.3d at 295–97 (holding that the FCRA does not require CRAs to determine the legal validity of debts); *Wright*, 805 F.3d at 1242 (holding that CRAs are not required to resolve legal questions of lien validity).

18. See *Chiang*, 595 F.3d at 38 (reasoning that requiring furnishers to assess legal validity would improperly transform them into adjudicative bodies); *Denan*, 959 F.3d at 295–96 (explaining that questions about loan validity under state law are legal questions that CRAs need not resolve).

19. See, e.g., *Chiang*, 595 F.3d at 38–39 (expressing concern that requiring legal determinations would extend beyond the furnisher’s statutory investigation duties); *Denan*, 959 F.3d at 295–96 (treating loan-validity challenges as legal questions outside the FCRA dispute process and noting that CRAs are not “tribunals”); *Wright*, 805 F.3d at 1242–43 (holding that a CRA need not determine the continuing legal validity of a tax lien because doing so would require legal judgment).

20. See *Sessa*, 74 F.4th at 42–44 (holding that the FCRA’s accuracy duty extends to information that is “objectively and readily verifiable,” regardless of legal elements); *Holden*, 98 F.4th at 1367–68 (concluding that furnishers must investigate disputes resolvable through ordinary account records but are not required to adjudicate legal disputes).

investigation when disputed information can be confirmed through ordinary records even if the dispute includes legal elements.<sup>21</sup> The Eleventh Circuit was the first to apply that reasoning to furnishers, concluding that § 1681s-2(b) reaches only those disputes capable of objective verification and that the statute does not expect furnishers to act as tribunals resolving complex or unsettled questions of law.<sup>22</sup>

Against this backdrop, the Fourth Circuit’s 2025 decision in *Roberts v. Carter-Young, Inc.* marked a shift in how courts interpret furnishers’ obligations under the FCRA. *Roberts* adopted the “objectively and readily verifiable” framework as the governing standard, requiring investigation whenever disputed information can reasonably be confirmed through available evidence.<sup>23</sup> The court also clarified that unverifiability marks the statutory endpoint.<sup>24</sup> When information cannot be substantiated, § 1681s-2(b) requires its deletion.<sup>25</sup> By grounding the duty in both text and purpose, *Roberts* links verifiability to furnisher compliance and treats accuracy and investigation as interdependent obligations that collectively safeguard the integrity of consumer reporting.<sup>26</sup>

This Note argues that the “objectively and readily verifiable” standard, as applied and clarified in *Roberts*, is the most faithful interpretation of the FCRA. It further contends that courts in circuits that have not yet addressed the issue—and, if the split reaches it, the Supreme Court—should adopt this framework. Unlike earlier decisions, *Roberts* structures furnishers’ obligations around what their records can

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21. See *Sessa*, 74 F.4th at 43–44 (emphasizing that the dispositive question is whether the disputed information can be confirmed through basic documentation rather than by legal interpretation).

22. See *Holden*, 98 F.4th at 1367–68 (holding that furnishers must investigate disputes that can be confirmed from ordinary business records while declining to require resolution of disputes involving legal determinations).

23. See *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 245–47, 251–52 (4th Cir. 2025) (rejecting the fact-law distinction and adopting the “objectively and readily verifiable” test as the governing standard for furnishers).

24. See *Roberts*, 131 F.4th at 246 (explaining that if disputed information cannot be verified, the furnisher must modify, delete, or block the reporting of that information); see also 15 U.S.C. § 1681s-2(b)(1)(E) (requiring furnishers to modify, delete, or permanently block information found to be inaccurate or unverifiable).

25. See *Roberts*, 131 F.4th at 246 (explaining that if a furnisher cannot verify disputed information, it must modify, delete, or permanently block that information).

26. See *id.* at 249–52 (holding that § 1681s-2(b) requires furnishers both to investigate any dispute supported by objective evidence and to delete information they cannot substantiate, thereby linking duties under subsections (D) and (E)).

actually verify, filling a gap in the case law that focused on when the duty begins but did not address what should follow when verification fails.<sup>27</sup> The decision offers a workable, text-grounded framework that balances consumer protection with the practical limits of furnisher investigations and helps close the enforcement loophole Congress sought to eliminate in 1996.<sup>28</sup> By articulating this standard in clear, functional terms, *Roberts* provides momentum toward national uniformity and gives practical guidance to circuits that have not yet addressed the issue.

The stakes of this circuit split extend beyond legal doctrine.<sup>29</sup> Unresolved disputes carry concrete economic consequences for consumers,<sup>30</sup> and the fact-law distinction entrenches those harms by allowing furnishers to avoid investigation simply by labeling a dispute “legal.”<sup>31</sup> *Roberts* rejects that categorical approach and redirects the inquiry to whether the accuracy of a disputed item can be confirmed through objective records.<sup>32</sup> Critics warn that this expansion risks burdening furnishers with quasi-judicial responsibilities.<sup>33</sup> However, *Roberts* makes clear that the standard does not demand resolution of

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27. *See id.* at 246, 251–52 (holding that a furnisher’s duty is triggered when alleged inaccuracies are objectively and readily verifiable from its records and that information it cannot verify after a reasonable inquiry must be modified, deleted, or blocked); *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (limiting furnisher duties to factual inaccuracies and not addressing unverifiability); *Denan v. Trans Union LLC*, 959 F.3d 290, 295–97 (7th Cir. 2020) (treating legal enforceability disputes as outside CRA duties).

28. *See* 15 U.S.C. § 1681s-2(b)(1) (establishing furnisher investigation and correction duties); H.R. REP. NO. 103-486, at 44 (1994) (describing Congress’s goal of improving accuracy and closing gaps in furnisher oversight); *see also* Consumer Credit Reporting Reform Act of 1996, Pub. L. No. 104-208, § 2413, 110 Stat. 3009-426, 3009-447 (implementing those duties by codifying § 1681s-2).

29. *See Roberts*, 131 F.4th at 246–47 (exemplifying the harm that unresolved inaccuracies in consumer files may have).

30. *See De Armond, supra* note 4, at 366–67 (explaining that inaccurate credit reports can deprive consumers of employment, housing, and credit).

31. *See Chiang*, 595 F.3d at 35–38 (illustrating the fact-law distinction); *Denan*, 959 F.3d at 295–97 (treating challenges to loan enforceability as legal questions outside FCRA duties); *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1242 (10th Cir. 2015) (classifying lien-validity disputes as legal issues beyond CRA obligations).

32. *See Roberts*, 131 F.4th at 249–52 (rejecting the fact-law distinction and holding that § 1681s-2(b) requires investigation whenever a dispute is capable of objective verification based on existing records).

33. *See, e.g., Chiang*, 595 F.3d at 38 (warning that requiring furnishers to interpret law exceeds their administrative role); *Denan*, 959 F.3d at 296 (explaining that questions about loan validity under state law are legal rather than factual).

complex or unsettled legal issues.<sup>34</sup> It requires only that furnishers review the documentation they already maintain and act when verification is possible.<sup>35</sup> This approach preserves the balance Congress intended.<sup>36</sup>

This Note proceeds in five parts. Part II reviews the statutory framework of 15 U.S.C. § 1681s-2(b) and traces the development of the circuit split that emerged following the 1996 amendments.<sup>37</sup> Part III examines the Fourth Circuit’s reasoning in *Roberts* and situates the decision within the broader landscape of FCRA interpretation.<sup>38</sup> Part IV argues that the “objectively and readily verifiable” standard, as clarified in *Roberts*, best fulfills Congress’s intent, closes the enforcement loophole created by the “fact-law distinction,” and provides a workable framework for furnishers and courts.<sup>39</sup> Part V considers the broader implications of *Roberts* for consumer protection, furnisher compliance, and the path toward national uniformity in FCRA interpretation.<sup>40</sup> Finally, Part VI summarizes and concludes this Note.<sup>41</sup>

## II. BACKGROUND: THE FCRA’S EVOLUTION AND THE EMERGENCE OF THE CIRCUIT SPLIT

Part II provides the statutory and doctrinal foundation for understanding the Fourth Circuit’s intervention in *Roberts*. It traces the FCRA’s original CRA-focused structure and the accuracy problems that design produced,<sup>42</sup> then explains how the 1996 amendments shifted responsibility to furnishers.<sup>43</sup> It also outlines how courts interpreting §

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34. See *Roberts*, 131 F.4th at 252–53 (4th Cir. 2025) (rejecting the fact-law distinction as inconsistent with the statute and clarifying that the duty applies to disputes that can be resolved through ordinary verification).

35. See *id.* at 251–52 (holding that furnishers must investigate disputes that are objectively and readily verifiable, but are not required to conduct investigations resembling judicial proceedings).

36. See *id.* at 251 (explaining that the standard seeks to protect consumers while limiting investigations to disputes that furnishers can resolve using routine account-level records); see also H.R. REP. NO. 103-486, at 44 (1994) (describing the committee’s intent to increase the accuracy of credit reports by imposing duties on furnishers).

37. See *infra* Part II.

38. See *infra* Part III.

39. See *infra* Part IV.

40. See *infra* Part V.

41. See *infra* Part VI.

42. See *infra* Part II.A.

43. See *infra* Part II.B.

1681s-2(b) divided between the fact-law distinction and the objectively and readily verifiable approach.<sup>44</sup> These developments frame the context in which *Roberts* clarified how the statute’s accuracy and deletion provisions operate.

A. *The FCRA’s Original Design and the Recognition of Structural Flaws*

Congress enacted the FCRA in 1970 to address growing concerns about inaccurate consumer reporting and the lack of meaningful oversight.<sup>45</sup> Senator William Proxmire, the bill’s sponsor, noted that although “[i]t would be unrealistic to expect credit reporting agencies to be absolutely correct on every single case,” consumers nevertheless “have a right to present their side of the story and to have inaccurate information expunged,” warning that “the right to fair credit reporting is becoming more and more essential.”<sup>46</sup> Congress echoed this concern in the statute’s formal findings, declaring that “the banking system is dependent upon fair and accurate credit reporting” and that “inaccurate credit reports directly impair the efficiency of the banking system . . . [and] undermine the public confidence which is essential to the continued functioning of the banking system.”<sup>47</sup> Consistent with these findings, Congress required CRAs to adopt “reasonable procedures for meeting the needs of commerce . . . in a manner which is fair and equitable to the consumer, with regard to the confidentiality, accuracy, relevancy, and proper utilization” of consumer information.<sup>48</sup>

The FCRA’s original framework focused almost entirely on CRAs, requiring them to “follow reasonable procedures to assure maximum possible accuracy” when preparing consumer reports.<sup>49</sup> However, the original statute imposed no parallel duties on the

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44. *See infra* Part II.C.

45. Fair Credit Reporting Act, Pub. L. No. 91-508, § 602, 84 Stat. 1127, 1128 (1970) (codified as amended at 15 U.S.C. §§ 1681–1681x); *see also* Protecting Americans From Harmful Data Broker Practices (Regulation V), 89 Fed. Reg. 101402, 101403 (proposed Dec. 13, 2024) (to be codified at 12 C.F.R. pt. 1022) (describing the data-surveillance context that prompted the 1970 Act).

46. 115 CONG. REC. 2412 (1969) (statement of Sen. Proxmire).

47. Fair Credit Reporting Act § 602(b), 84 Stat. 1127, 1128 (1970).

48. 15 U.S.C. § 1681(b).

49. 15 U.S.C. § 1681e(b).

furnishers who created and supplied the underlying data to CRAs.<sup>50</sup> This design left a critical structural gap. If the raw information supplied by creditors, landlords, or debt collectors contained inaccuracies, no CRA procedure—however reasonable—could ensure accuracy.<sup>51</sup>

Oversight reports and enforcement experience in the 1980s and 1990s made this flaw increasingly apparent.<sup>52</sup> The FTC observed in multiple reports that errors often originated with furnishers rather than CRAs.<sup>53</sup> However, the statute gave consumers no direct recourse against the entities that created the inaccurate information.<sup>54</sup> Scholars and advocates have similarly noted that the statute’s original design created weak incentives for accuracy, leaving consumers with limited remedies and allowing errors originating with furnishers to persist.<sup>55</sup>

The economic incentives inherent in the credit reporting system compounded the structural problem.<sup>56</sup> CRAs depended on furnishers for the data that underpinned their business, creating reluctance to challenge

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50. See FTC, 40 YEARS OF EXPERIENCE WITH THE FAIR CREDIT REPORTING ACT: AN FTC STAFF REPORT WITH SUMMARY OF INTERPRETATIONS 1–2 (2011), <https://www.ftc.gov/sites/default/files/documents/reports/40-years-experience-fair-credit-reporting-act-ftc-staff-report-summary-interpretations/110720fcrareport.pdf> [<https://perma.cc/4ZBT-RBQ5>] (explaining that prior to the 1996 amendments, the FCRA did not impose direct duties on furnishers); see also S. REP. NO. 104-185, at 49 (1995) (“Currently, the FCRA contains no requirements applying to those entities which furnish information to consumer reporting agencies.”).

51. See Wu, *supra* note 1, at 142 (explaining that CRAs compile data from furnishers rather than originating it themselves).

52. See *id.* at 149 (discussing the history of FCRA enforcement and oversight findings).

53. See *id.* at 150 (identifying furnishers as a significant source of inaccuracies).

54. See FTC, *supra* note 50, at 2–3 (explaining that before 1996, consumers had no private right of action against furnishers).

55. See Michael R. Guerrero, *Disputing the Dispute Process: Questioning the Fairness of § 1681s-2(A)(8) and § 1681J(A)(1)(A) of the Fair and Accurate Credit Reporting Act*, 47 CAL. W. L. REV. 437, 439 (2011) (“[C]onsumers are provided few remedies for experienced wrongs . . . due to the current credit reporting system’s failure to provide a framework of incentives and penalties to motivate CRAs and furnishers to adequately address disputes, or, more generally, to ensure the accuracy of consumer credit information.”); see also Wu, *supra* note 1, at 184 (observing that credit bureaus reduced their own costs and even profited from dispute processing).

56. See Wu, *supra* note 1, at 180 (noting that credit bureaus earn their revenue from furnishers rather than consumers and have little incentive to invest in more costly accuracy-enhancing procedures).

information from important clients.<sup>57</sup> Furnishers, meanwhile, had little incentive to invest in procedures that ensured accuracy, since they faced no direct liability for reporting errors.<sup>58</sup> As a result, errors remained embedded in the system.<sup>59</sup>

*B. The 1996 Amendments: Closing the Enforcement Gap*

By the mid-1990s, Congress recognized that the FCRA's CRA-centered framework could not meaningfully correct persistent inaccuracies, prompting a shift toward direct furnisher regulation.<sup>60</sup> Senator Richard Bryan explained that "[e]rrors in consumer credit reports have been the No. 1 item of complaint at the Federal Trade Commission . . . ."<sup>61</sup> The FTC confirmed that credit reporting errors were its top consumer complaint,<sup>62</sup> and that independent studies showed that nearly half of all credit files contained some form of error and roughly twenty percent contained errors serious enough to affect credit eligibility.<sup>63</sup> Congressional hearings further revealed that many consumers became trapped in endless cycles of dispute, forced to contact credit bureaus repeatedly over several months without meaningful relief.<sup>64</sup> These findings exposed a fundamental weakness in

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57. *See id.* at 180–81 (explaining that credit bureaus are reluctant to conduct rigorous investigations that might cause their furnisher clients to take their business elsewhere); *see also* *Denan v. Trans Union LLC*, 959 F.3d 290, 294 (7th Cir. 2020) (noting that CRAs “compile information that furnishers provide” and generally do not verify data independently).

58. *See* Guerrero, *supra* note 55, at 439 (arguing that the statute failed to create sufficient incentives for furnishers to ensure accuracy); *see also* S. REP. NO. 104-185, at 49 (1995) (noting that subjecting furnishers to the Act was “an essential step in ensuring the accuracy of consumer report information”).

59. *See* Wu, *supra* note 1, at 181 (explaining that credit bureaus' paying clients are creditors who can switch bureaus, making rigorous investigations economically disfavored).

60. *See* H.R. REP. NO. 103-486, at 41–42 (1994) (noting that errors in credit reports were a leading source of consumer complaints and difficult to correct); *see also* S. REP. NO. 104-185, at 49–50 (explaining that the FCRA previously imposed no duties on furnishers).

61. 142 CONG. REC. S11869 (daily ed. Sep. 30, 1996) (statement of Sen. Richard Bryan).

62. *See Fair Credit Reporting Act: Hearing Before the Subcomm. on Consumer Affs. and Coinage of the Comm. on Banking, Fin. and Urb. Affs.*, 102d Cong. 44 (1991) (statement of Jean Noonan, Assoc. Dir. for Credit Pracs., FTC) (testifying that credit bureaus generated the highest number of complaints to the agency).

63. *See id.* at 12 (statement of Rep. Esteban E. Torres, Chairman, Subcomm. on Consumer Affs. and Coinage) (citing a study which showed 48% of credit reports contained errors).

64. *See* H.R. REP. NO. 103-486, at 42 (summarizing a study finding that consumers spent an average of 22 to 31 weeks resolving complaints).

the statutory design: CRAs could reinvestigate only with the limited information in their possession, while creditors and other furnishers retained the records necessary to determine whether disputed data was accurate.<sup>65</sup>

In response, Congress enacted the Consumer Credit Reporting Reform Act of 1996.<sup>66</sup> Section 1681s-2 established a comprehensive framework of independent duties for furnishers.<sup>67</sup> Both the House and Senate recognized that the reliability of the entire credit reporting system ultimately depended on the accuracy of the data supplied by furnishers.<sup>68</sup> The House Report explained that Congress designed the amendments “to assure the completeness and accuracy of consumer information maintained by credit reporting agencies . . . .”<sup>69</sup> The Senate Banking Committee likewise concluded that subjecting furnishers to the Act was “an essential step in ensuring the accuracy of consumer report information,” noting that the original statute contained no such requirements.<sup>70</sup> Congress viewed direct regulation of furnishers as essential to improving report accuracy and consumer protection.<sup>71</sup>

The statute divided these duties into two subsections.<sup>72</sup> Subsection (a) imposes preventative duties designed to ensure accuracy from the outset.<sup>73</sup> Under subsection (a), furnishers cannot knowingly provide inaccurate information, must correct and update previously furnished information when they discover errors, must note when consumers dispute accounts, and must report the date of first delinquency for accounts in default.<sup>74</sup> These provisions operate as

65. See Wu, *supra* note 1, at 142 (explaining that CRAs lack access to account records held by furnishers); see also H.R. REP. NO. 103-486, at 41–42 (discussing the difficulty of correcting errors under the original statutory framework).

66. Consumer Credit Reporting Reform Act of 1996, Pub. L. No. 104-208, § 2413, 110 Stat. 3009-426 (1996) (codified as amended at 15 U.S.C. § 1681s-2).

67. See 15 U.S.C. § 1681s-2 (detailing furnisher duties added in 1996 amendments).

68. See H.R. REP. NO. 103-486, at 49 (stating that the new duties were intended to enhance the accuracy of information provided to CRAs); see also S. REP. NO. 104-185, at 49 (noting that accuracy depends on furnishers).

69. H.R. REP. NO. 103-486, at 1.

70. S. REP. NO. 104-185, at 49.

71. See *id.* (noting that accuracy depends on furnishers, not just consumer reporting agencies).

72. 15 U.S.C. § 1681s-2.

73. See § 1681s-2(a) (establishing the duty of furnishers to provide accurate information).

74. See § 1681s-2(a)(1)(A), (a)(2)–(3), (a)(5) (imposing accuracy, correction, dispute-notation, and delinquency-date reporting obligations on furnishers).

regulatory obligations that federal agencies enforce and do not create a private right of action for consumers.<sup>75</sup>

Subsection (b) imposes remedial duties once a CRA notifies a furnisher of a consumer dispute.<sup>76</sup> This subsection requires furnishers to investigate the disputed information, review information provided by the CRA, report the results of the investigation, and—if the investigation finds the information to be inaccurate, incomplete, or unverifiable—modify or delete the item and notify all other nationwide CRAs.<sup>77</sup> Unlike subsection (a), subsection (b) creates a private right of action, allowing consumers to seek damages for willful or negligent failures to comply with its investigative and corrective requirements.<sup>78</sup>

Additionally, subsection (b) allocates the risk of uncertainty to furnishers rather than consumers.<sup>79</sup> It directs furnishers to delete or block disputed items that they cannot verify.<sup>80</sup> This safeguard ensures that unverifiable information does not remain in consumer files and reflects Congress's judgment that "consumers should not bear the burden of unverifiable information."<sup>81</sup>

The 1996 amendments marked the statute's transition from a CRA-centered model to one of shared responsibility. By imposing direct duties on furnishers and creating a private right of action, Congress recognized that credit report accuracy could not be achieved without holding furnishers accountable for the information they supplied.<sup>82</sup>

### C. *The Development of the Circuit Split*

Although courts uniformly recognized that § 1681s-2(b) requires a reasonable investigation, they quickly diverged over the

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75. See § 1681s-2(d) (limiting enforcement of section (a) to federal and state agencies).

76. See § 1681s-2(b)(1)(A)–(E) (detailing the investigation, review, reporting, and correction process).

77. § 1681s-2(b).

78. See §§ 1681n–1681o (establishing civil liability for willful and negligent noncompliance).

79. See § 1681s-2(b) (requiring furnishers to delete disputed information if it cannot be verified).

80. See § 1681s-2(b)(1)(E) (requiring furnishers to delete, modify, or block disputed information if it cannot be verified).

81. H.R. REP. NO. 103-486, at 43 (1994) (stating that if disputed information cannot be verified, the agency shall "promptly delete that item").

82. See S. REP. NO. 104-185, at 49 (1995) (recognizing that the original statute lacked furnisher liability).

scope of that duty and the disputes it reaches.<sup>83</sup> This division produced two competing doctrinal approaches: a restrictive fact-law distinction that limits furnisher liability, and an objectively and readily verifiable standard that focuses on practical verifiability and takes a broader view of furnisher responsibilities.<sup>84</sup>

### 1. The Fact-Law Distinction: A Restrictive Approach

The First, Seventh, and Tenth Circuits adopted a restrictive approach that confines § 1681s-2(b) liability to straightforward factual errors while exempting furnishers from investigating disputes that involve legal interpretation or judgment.<sup>85</sup> Courts following this framework expressed concern that imposing broader obligations would transform furnishers into “tribunals” and impose investigative burdens beyond their institutional competence.<sup>86</sup>

The First Circuit established this framework in *Chiang v. Verizon New England, Inc.*<sup>87</sup> In *Chiang*, the court held that furnishers are not required to decide whether a disputed debt is legally enforceable, such as whether a creditor may collect certain fees under a contract or

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83. See *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 37 (1st Cir. 2010) (joining other circuits in holding that § 1681s-2(b) requires a reasonable investigation); see also *Sessa v. Trans Union, LLC*, 74 F.4th 38, 43 (2d Cir. 2023) (discussing the diverging approaches among circuits regarding the scope of that duty).

84. Compare *Chiang*, 595 F.3d at 38 (limiting the duty to investigate to factual inaccuracies), *Denan v. Trans Union LLC*, 959 F.3d 290, 295–96 (7th Cir. 2020) (holding that furnishers are not required to resolve legal questions), and *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1242 (10th Cir. 2015) (excluding legal disputes from the scope of reasonable investigation), with *Sessa*, 74 F.4th at 42–44 (rejecting the fact-law distinction in favor of an objective verifiability standard), *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1367–68 (11th Cir. 2024) (applying the verifiability standard), and *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 246–47 (4th Cir. 2025) (holding that furnishers must investigate disputes that are objectively and readily verifiable).

85. See *Chiang*, 595 F.3d at 38 (holding that furnishers need not resolve legal disputes); *Denan*, 959 F.3d at 295–96 (exempting furnishers from adjudicating questions of law); *Wright*, 805 F.3d at 1242 (holding that CRAs are not required to determine the legal validity of debts).

86. See *Chiang*, 595 F.3d at 38 (warning that requiring legal determinations would turn furnishers into tribunals); see also *Denan*, 959 F.3d at 296 (reasoning that resolving issues such as choice of law clauses and usury laws is a task for courts, not furnishers).

87. See *Chiang*, 595 F.3d at 38 (establishing the standard that a furnisher’s duty to investigate extends only to factual inaccuracies, not legal disputes).

state law.<sup>88</sup> The Seventh Circuit later underscored the rationale for that limitation, explaining that requiring furnishers to make such determinations would transform them into “tribunals” responsible for resolving disputes that belong in courts.<sup>89</sup> Beyond citing concerns about institutional competence and manageability, these decisions offered little explanation for why such disputes should be excluded from furnisher duties, leaving the contours of the fact-law distinction largely undefined.<sup>90</sup> The Tenth Circuit adopted the same reasoning, holding that the statute does not reach questions of debt validity or enforceability.<sup>91</sup>

Underscoring these decisions is a concern about institutional competence and administrative burden.<sup>92</sup> The First, Seventh, and Tenth Circuits concluded that requiring furnishers to resolve legal disputes would be both unmanageable and inappropriate, though they offered little explanation beyond labeling the task as “legal.”<sup>93</sup> This approach narrows furnisher duties to transcription mistakes, despite the statute’s broader language requiring investigation of disputes about “completeness or accuracy” without qualification.<sup>94</sup>

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88. *See id.* (“[F]urnishers are ‘neither qualified nor obligated to resolve’ matters that ‘turn[] on questions that can only be resolved by a court of law.’” (quoting *DeAndrade v. Trans Union LLC*, 523 F.3d 61, 68 (1st Cir. 2008))).

89. *See Denan*, 959 F.3d at 295 (expressing concern that broader duties would transform furnishers into “tribunals”).

90. *See Chiang*, 595 F.3d at 38 (excluding disputes involving legal enforceability from furnisher duties without clearly defining the boundary between factual and legal inaccuracies); *see also Denan*, 959 F.3d at 295 (rejecting liability for legal inaccuracies because resolving them is a task “only a court” can perform).

91. *See Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1245 (10th Cir. 2015) (concluding that the validity of a tax lien is a “legal dispute” that agencies are not required to resolve).

92. *See Chiang*, 595 F.3d at 38 (warning that furnishers are not “qualified” to resolve legal questions); *Denan*, 959 F.3d at 296 (noting that complex legal questions are “issues only a court can resolve”).

93. *See Chiang*, 595 F.3d at 38 (excluding disputes characterized as “legal” from furnisher investigation duties without articulating a clear standard for distinguishing legal from factual inaccuracies); *Denan*, 959 F.3d at 296 (concluding that adjudicating legal defenses to debt would be unmanageable within the FCRA framework, while grounding that conclusion primarily in the “legal” nature of the dispute); *Wright*, 805 F.3d at 1242 (rejecting claims that would require credit reporting entities to resolve disputed legal issues, without further defining the scope of that exclusion).

94. *See* 15 U.S.C. § 1681s-2(b)(1)(A) (requiring investigation of disputes regarding “completeness or accuracy” generally); *see also Sessa v. Trans Union, LLC*, 74 F.4th 38, 43 (2d Cir. 2023) (criticizing the fact-law distinction for creating a bright-line rule not found in the statute).

## 2. The Objectively and Readily Verifiable Approach: A Functional Alternative

The Second and Eleventh Circuits developed the objectively and readily verifiable approach, which shifts focus from how a dispute is labeled to what a furnisher can realistically verify.<sup>95</sup> This approach recognizes that some disputes involving legal elements can nonetheless be resolved through ordinary verification procedures, while some apparently factual disputes may require a complex investigation that goes beyond a reasonable review.<sup>96</sup>

The key inquiry under this framework is whether the inaccuracy could be resolved through a straightforward documentary review without requiring complex legal interpretation.<sup>97</sup> The Second Circuit illustrated this framework in *Mader v. Experian Information Solutions* and *Sessa v. Trans Union*.<sup>98</sup> Both cases involved consumer reporting agencies rather than furnishers, but they articulated the verifiability test that would later shape furnisher jurisprudence. In *Mader*, the court held that whether student loans were discharged in bankruptcy was not “objectively and readily verifiable” because resolving that issue required legal analysis of the bankruptcy discharge order and its application to the specific loan program.<sup>99</sup> In *Sessa*, by contrast, the court found that misreporting a vehicle lease as requiring a balloon payment was actionable because the contractual documents clearly established the terms, making the error readily verifiable without complex legal interpretation.<sup>100</sup>

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95. *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 269–70 (2d Cir. 2023) (establishing the “objectively and readily verifiable” standard); *Sessa*, 74 F.4th at 43 (adopting the “objectively and readily verifiable” standard); *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1367–68 (11th Cir. 2024) (applying the “objectively and readily verifiable” standard to furnishers).

96. *See Sessa*, 74 F.4th at 43 (explaining that some legal disputes are actionable if the answer is transparent from the documents); *Holden*, 98 F.4th at 1368 (noting that furnishers must investigate disputes that can be resolved via “court order” or “settlement agreement”).

97. *See Mader*, 56 F.4th at 270 (defining the inquiry as whether the dispute can be resolved through “straightforward” verification).

98. *See id.* at 270–71 (explaining that a dispute is not verifiable if it requires a furnisher to resolve unsettled legal questions rather than verify facts); *see also Sessa*, 74 F.4th at 42–43 (holding that a dispute was verifiable where the inaccuracy could be resolved by simply reviewing the terms of the lease).

99. *Mader*, 56 F.4th at 269–70 (holding that the bankruptcy dischargeability of a student loan was not objectively verifiable).

100. *Sessa*, 74 F.4th at 43 (finding a balloon payment dispute actionable because the lease terms clearly established no payment was due).

The Eleventh Circuit extended that reasoning to furnishers in *Holden v. Holiday Inn Club Vacations*, which consolidated two related consumer actions presenting the same issue.<sup>101</sup> In both cases, the consumers argued that the furnisher should have recognized the debts as invalid because the underlying contracts were allegedly void or improperly executed.<sup>102</sup> The plaintiffs, however, did not produce any objective documentation—such as a release, amended agreement, or court order—showing that the debts were extinguished.<sup>103</sup> Resolving their disputes would have required determining the legal enforceability of the contracts, which placed the claims outside the scope of what could be “objectively and readily verified.”<sup>104</sup>

*Holden* was the first appellate decision to apply the objectively and readily verifiable standard to furnishers.<sup>105</sup> Although the plaintiffs’ claims failed on the facts presented, the court declined to adopt a categorical fact-law distinction, emphasizing instead whether the disputed information could be objectively verified.<sup>106</sup> It explained that § 1681s-2(b) requires correction whenever information is inaccurate, incomplete, or unverifiable, without carving out exceptions for disputes containing legal elements.<sup>107</sup> By applying the verifiability test directly to furnishers, *Holden* translated a CRA-based framework into the furnisher context, confirming that the statute asks whether disputed information can be objectively verified while clarifying that furnishers are not required to resolve complex or unsettled legal questions, only those that

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101. *See Holden*, 98 F.4th at 1363 (consolidating two consumer actions and holding that furnishers are not required to resolve disputes turning on legal validity rather than objectively verifiable facts).

102. *Id.* at 1363–65 (describing the underlying disputes regarding timeshare deeds and purchase agreements).

103. *Id.* at 1368 (noting that the plaintiffs failed to identify any objective evidence establishing that the debts were valid).

104. *See id.* (concluding that resolving the disputes would require determining the legal enforceability of the contracts).

105. *See id.* at 1367–68 (extending the objectively and readily verifiable standard to furnishers’ reinvestigation duties).

106. *See id.* at 1369 (declining to “impose a bright-line rule” that only factual errors are actionable).

107. *Id.*; *see also* 15 U.S.C. § 1681s-2(b)(1)(D)–(E) (requiring the furnisher to “modify,” “delete,” or “permanently block” the reporting of information found to be “inaccurate or incomplete or cannot be verified”).

can be confirmed through ordinary record review such as contracts, account statements, or court orders.<sup>108</sup>

Both the Second and Eleventh Circuits, however, left the remedial consequence of unverifiability largely unaddressed.<sup>109</sup> Their decisions clarified when a furnisher's duty arises but did not articulate what follows when information cannot be confirmed.<sup>110</sup> That omission left the statute's directive to delete unverifiable information underdeveloped until the Fourth Circuit's decision in *Roberts*.<sup>111</sup>

### 3. The State of the Split before *Roberts*

The circuit split produces significant doctrinal and practical uncertainty for both consumers and furnishers.<sup>112</sup> Consumers in different circuits face varying levels of protection depending on their geographic location, undermining the FCRA's goal of establishing uniform national standards for credit reporting accuracy.<sup>113</sup> Furnishers operating across multiple jurisdictions also face conflicting obligations.<sup>114</sup> Some courts require only the correction of transcription

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108. See *Holden*, 98 F.4th at 1368 (clarifying that furnishers need not resolve legal disputes but must investigate if the error can be verified via ordinary records).

109. See *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–43 (2d Cir. 2023) (focusing on the threshold question of cognizability); *Holden*, 98 F.4th at 1369 (concluding the inquiry upon finding there was no duty).

110. See *Sessa*, 74 F.4th at 42–43 (addressing whether the plaintiff stated a cognizable furnisher claim without reaching the consequence of unverifiable information); *Holden*, 98 F.4th at 1369 (ending the analysis after concluding no duty to investigate arose, without addressing deletion obligations for unverifiable information).

111. See *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 252–53 (4th Cir. 2025) (holding that the statute creates a verify or delete scheme for objectively verifiable disputes).

112. Compare *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38–39 (1st Cir. 2010) (limiting furnisher duties to factual inaccuracies), and *Denan v. Trans Union LLC*, 959 F.3d 290, 295–96 (7th Cir. 2020) (holding that furnishers need not resolve legal questions), and *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1242 (10th Cir. 2015) (excluding legal disputes from the scope of reasonable investigation), with *Sessa*, 74 F.4th at 42–44 (adopting the objectively and readily verifiable standard), and *Holden*, 98 F.4th at 1367–68 (applying the verifiability standard to furnishers).

113. See Diana M. Eng & Namrata Loomba, 4th Circ. 'Actionable Inaccuracy' Finding Deepens FCRA Circuit Split, BLANK ROME LLP (May 14, 2025), <https://www.blankrome.com/publications/4th-circ-actionable-inaccuracy-finding-deepens-fera-circuit-split> [https://perma.cc/VY7U-4EBB] (observing that *Roberts* broadens what qualifies as an actionable inaccuracy and expands the existing FCRA circuit split, with consequences for consumers in some jurisdictions).

114. See *id.* (noting the compliance challenges resulting from the circuit split).

errors, while others demand broader investigation of disputes.<sup>115</sup> This inconsistency makes compliance difficult and encourages forum shopping and other strategic behavior.<sup>116</sup>

In circuits applying the fact-law distinction, courts permit furnishers to avoid meaningful investigation whenever a dispute can be characterized as legal rather than factual.<sup>117</sup> As a result, disputed information often remains in consumer files even when it could be resolved through review of ordinary records such as contracts or account statements.<sup>118</sup> This restrictive interpretation narrows the scope of furnisher duties and recreates the categorical exclusions that Congress sought to eliminate.<sup>119</sup>

Courts applying the fact-law distinction compound these problems through inconsistent reasoning.<sup>120</sup> Judges struggle to draw coherent lines between “factual” and “legal” disputes.<sup>121</sup> Outcomes often turn on how a court chooses to characterize the issue rather than on whether the underlying information could be reasonably verified.<sup>122</sup>

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115. *Compare Chiang*, 595 F.3d at 38 (restricting investigation duties to factual errors), *with Sessa*, 74 F.4th at 42–43 (requiring investigation of legal disputes if they are objectively verifiable).

116. *See Eng & Loomba*, *supra* note 113 (noting the compliance challenges resulting from the circuit split).

117. *See Chiang*, 595 F.3d at 35 (reasoning that legal disputes fall outside the scope of § 1681s-2(b)).

118. *See id.* (applying the fact-law distinction to exclude contractual disputes from FCRA coverage).

119. *See* H.R. REP. NO. 103-486, at 42 (1994) (stating that “federal legislation is necessary to improve accuracy-related protections” because existing industry guidelines were insufficient to cure the high rate of errors in consumer reports).

120. *Compare Chiang*, 595 F.3d at 38 (distinguishing between factual and legal disputes based on institutional competence), *with Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1242 (10th Cir. 2015) (relying on manageability concerns to exclude legal disputes).

121. *Wright*, 805 F.3d at 1242–44 (holding that disputes requiring legal determinations fall outside the FCRA without defining a clear boundary between factual and legal issues).

122. *See Denan v. Trans Union LLC*, 959 F.3d 290, 296 (7th Cir. 2020) (rejecting a furnisher claim on the ground that the dispute concerned the “legal validity” of the debt, rather than whether the reported information could be verified from records); *see also Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 249–50 (4th Cir. 2025) (explaining that some disputes labeled “legal” still involve verifiable facts apparent from basic records).

The resulting unpredictability leaves both consumers and furnishers uncertain about their rights and obligations under the statute.<sup>123</sup>

Against this backdrop of doctrinal division and practical confusion, the Fourth Circuit's decision in *Roberts v. Carter-Young* represents a critical step toward clarifying the furnisher's investigative duty and restoring coherence to FCRA interpretation.<sup>124</sup> By adopting the objectively and readily verifiable standard, *Roberts* provides a unified framework grounded in statutory text and offers renewed momentum toward national uniformity.<sup>125</sup>

### III. *ROBERTS V. CARTER-YOUNG*: THE FOURTH CIRCUIT'S DOCTRINAL RESOLUTION

The Fourth Circuit's decision in *Roberts v. Carter-Young* marked a significant step in defining the scope of furnisher obligations under § 1681s-2(b).<sup>126</sup> *Roberts* arose from a landlord-tenant dispute that illustrated the arbitrary nature of the fact-law distinction.<sup>127</sup> *Roberts* disputed a \$791 charge from her former landlord for alleged apartment damages that she believed were fabricated in retaliation for asserting her lease rights.<sup>128</sup> When the landlord referred the claim to Carter-Young, a collection agency, the company reported it to major CRAs.<sup>129</sup> *Roberts* disputed the debt multiple times, triggering Carter-Young's obligation to investigate.<sup>130</sup> Rather than conduct its own review, Carter-Young merely asked the landlord to confirm the debt and then verified it as

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123. *Compare Chiang*, 595 F.3d at 38 (holding that furnishers need not investigate contractual fee disputes because they involve legal interpretation), with *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–43 (2d Cir. 2023) (holding that misreporting a lease as a loan was actionable since the error was objectively verifiable from the contract). These divergent rulings show how similar disputes can yield opposite outcomes across circuits.

124. *See Roberts*, 131 F.4th at 246–47 (acknowledging confusion in prior case law and framing the appeal as an opportunity to clarify the scope of a furnisher's investigative duty under § 1681s-2(b)).

125. *See id.* at 252 (adopting an “objectively and readily verifiable” standard to replace the fact-law approach and provide a consistent framework for evaluating furnisher disputes).

126. *See id.* at 246–48 (recounting the factual dispute regarding the landlord's debt and explaining how the district court relied on the fact-law distinction to dismiss the claim).

127. *See id.* at 246–47 (detailing the landlord's allegedly fabricated invoice and how the dispute was repeatedly recertified without investigation).

128. *Id.* at 246.

129. *Id.* at 246–47.

130. *Id.* at 247–48; *see also* 15 U.S.C. § 1681s-2(b)(1)(A)–(E) (imposing investigatory duties on furnishers upon notice of a consumer dispute).

valid.<sup>131</sup> The district court dismissed Roberts’s FCRA claim, reasoning that her dispute involved legal issues of lease interpretation that Carter-Young had no duty to investigate under the fact-law distinction.<sup>132</sup>

The Fourth Circuit rejected that reasoning and grounded its analysis in the statute’s text.<sup>133</sup> The court emphasized that § 1681s-2(b) requires investigation of disputes concerning “the completeness or accuracy of any information” without any qualifying language or categorical exceptions.<sup>134</sup> That reading aligns with Congress’s decision to require removal of information that cannot be verified and reflects the 1996 amendments’ intent to improve the reliability of credit reporting by preventing unsubstantiated data from remaining in the system.<sup>135</sup>

The court then adopted and refined the “objectively and readily verifiable” standard developed in the Second and Eleventh circuits.<sup>136</sup> Under this framework, furnishers must investigate disputes that can be resolved through a reasonable review of available documentation, even when the dispute involves legal elements.<sup>137</sup> At the same time, furnishers are not expected to function as tribunals resolving complex or unsettled questions of law.<sup>138</sup> The standard thus draws a functional line between reinvestigation and adjudication while preserving meaningful consumer protection.

*Roberts* also extended the objectively and readily verifiable standard by giving operative force to § 1681s-2(b)(1)(E)’s deletion

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131. *Roberts*, 131 F.4th at 247.

132. *See id.* at 248 (summarizing the district court’s reasoning that the dispute was “legal” and thus outside furnisher duties).

133. *See id.* at 250–51 (holding that § 1681s-2(b) contains no basis for excluding disputes with legal elements).

134. *See id.* (emphasizing Congress’s choice of broad, unqualified terms requiring investigation of “any” disputed information).

135. *See id.* at 250–52 (explaining that the statute requires furnishers to modify, delete, or block information they cannot confirm after a reasonable inquiry); *see also* S. REP. NO. 104-185, at 49 (1995) (stating that bringing furnishers under the FCRA was an “essential step in ensuring the accuracy” of consumer report information).

136. *See Roberts*, 131 F.4th at 251–53 (adopting and refining the “objectively and readily verifiable” standard); *see also* *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–45 (2d Cir. 2023) (establishing the standard in the Second Circuit); *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1366–68 (11th Cir. 2024) (discussing the development of the standard across circuits).

137. *See Roberts*, 131 F.4th at 251–52 (stating that disputes objectively resolvable from records must be investigated).

138. *See id.* at 252–53 (clarifying that furnishers need not adjudicate but must verify objectively resolvable information); *cf.* *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (observing that furnishers are not courts yet must undertake reasonable investigations).

requirement.<sup>139</sup> Whereas *Holden* applied the verifiability test as a limiting principle—identifying what furnishers are not required to do—*Roberts* reframed it as a statutory command that dictates what furnishers must do when accuracy cannot be confirmed.<sup>140</sup> By linking verifiability to the deletion clause, the court made clear that disputed information cannot remain when a furnisher’s own records do not substantiate it.<sup>141</sup> In doing so, *Roberts* clarified that investigation and deletion operate together as the statute’s integrated accuracy mechanism.<sup>142</sup>

The court also explained how the standard operates in practice.<sup>143</sup> The relevant question is whether a furnisher can reasonably resolve a dispute through available records.<sup>144</sup> Some disputes involving legal elements will still be objectively and readily verifiable—such as whether contractual terms were accurately reported or whether a debt was properly assigned.<sup>145</sup> Others that appear purely factual may require investigation beyond reasonable furnisher capabilities.<sup>146</sup> The court emphasized that “[i]naccuracies that are objectively and readily verifiable do not include claims of tortious conduct that require a furnisher to evaluate the subjective nature of the parties’ actions—such as claims of fraud or retaliation.”<sup>147</sup> This limitation preserves

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139. See *Roberts*, 131 F.4th at 250–53 (linking the verifiability inquiry to § 1681s-2(b)(1)(E)’s deletion requirement).

140. Compare *Holden*, 98 F.4th at 1368 (characterizing the “objectively and readily verifiable” standard as limiting furnisher duties by excluding disputes requiring legal judgment), with *Roberts*, 131 F.4th at 252–53 (treating the “objectively and readily verifiable” standard as a statutory command requiring the removal of unverifiable information).

141. See *Roberts*, 131 F.4th at 252–53 (explaining that the “objectively and readily verifiable” standard operates through § 1681s-2(b)(1)(E)’s requirement that unverifiable information be removed from consumer files).

142. Compare *id.* at 246 (clarifying that the investigation duty includes a requirement to delete unverifiable information), with *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–45 (2d Cir. 2023) (recognizing investigation duties without noting deletion as a remedy), and *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 266–68 (2d Cir. 2023) (analyzing the investigation duty without addressing the deletion requirement).

143. See *Roberts*, 131 F.4th at 251–52 (discussing practical application of the verifiability standard).

144. See *id.* at 252 (holding that the relevant inquiry is whether the furnisher can verify the disputed information by reviewing the records in its possession).

145. See *id.* at 252–53 (providing examples of disputes with legal components that remain objectively verifiable and observing that some factual disputes may exceed reasonable investigative capacity).

146. See *id.* at 251 (“[A] dispute that involves complex fact-gathering . . . is not objectively and readily verifiable.”).

147. *Id.*

institutional competence by confining the furnisher's role to factual verification, not legal adjudication.<sup>148</sup>

The Fourth Circuit remanded the case for further proceedings, leaving the outcome uncertain.<sup>149</sup> The allegations in *Roberts*—which involved claims of fraud and retaliation—may ultimately fall outside the scope of what the court deemed objectively and readily verifiable.<sup>150</sup> Such claims require evaluation of subjective intent, so the district court may again dismiss the action on remand.<sup>151</sup> However, this procedural posture does not diminish the decision's broader interpretive significance. *Roberts* clarified the governing standard by integrating verifiability with deletion and delineating the boundary between verifiable and non-verifiable disputes.<sup>152</sup>

By rejecting the fact-law distinction, *Roberts* joined the approach taken in the Second and Eleventh Circuits but extended it further by applying the objectively and readily verifiable standard directly to furnishers and integrating it with the statute's deletion requirement.<sup>153</sup> In doing so, the court provided concrete guidance for distinguishing disputes that must be reinvestigated from those that fall beyond a furnisher's practical capacity.<sup>154</sup> *Roberts* built on and refined the Second Circuit's rulings in *Mader* and *Sessa* and developed the

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148. *See id.* at 251–53 (clarifying that the constraint arises from evidentiary practicality, not a formal legal boundary).

149. *See id.* at 253 (vacating the district court's dismissal and remanding for further proceedings).

150. *See id.* at 244–45, 251–52 (describing allegations of fabricated charges in retaliation and noting that claims sounding in fraud or retaliation may not be objectively and readily verifiable).

151. *See Eng & Loomba, supra* note 113 (observing that the district court may again dismiss on remand because the claims involve subjective issues such as fraud and retaliation).

152. *See Roberts*, 131 F.4th at 249–52 (linking the objectively and readily verifiable requirement to § 1681s-2's deletion requirement and distinguishing disputes verifiable from records from those that are not).

153. *See Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–45 (2d Cir. 2023) (rejecting the categorical fact-law distinction as unsupported by the statute); *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1366–68 (11th Cir. 2024) (applying the “objectively and readily verifiable” standard to furnishers); *Roberts*, 131 F.4th at 250–52 (explaining the practical application of the “objectively and readily verifiable” standard).

154. *See Roberts*, 131 F.4th at 249–53 (articulating the textual basis and operational parameters for applying the standard).

Eleventh Circuit’s reasoning in *Holden*.<sup>155</sup> These decisions reflect growing doctrinal convergence around a functional view of the FCRA—one that evaluates furnisher obligations based on what can be verified from existing records rather than on rigid categories of factual and legal disputes.<sup>156</sup>

IV. THE OBJECTIVELY AND READILY VERIFIABLE STANDARD BEST FULFILLS CONGRESSIONAL INTENT AND PROVIDES A WORKABLE FRAMEWORK

The Fourth Circuit’s decision in *Roberts v. Carter-Young* demonstrates why the objectively and readily verifiable standard is the most faithful interpretation of § 1681s-2(b). The statute requires furnishers to investigate disputes about “the completeness or accuracy of any information” and, after that investigation, either correct information they can substantiate or remove information they cannot.<sup>157</sup> Unlike earlier cases, *Roberts* makes that remedial structure explicit by treating unverifiability as a statutory basis for deletion rather than a reason for disputed items to remain.<sup>158</sup>

The statute’s structure reinforces this reading. Congress intended the furnisher’s duty to operate broadly and remedially.<sup>159</sup> The statutory language is unqualified and does not limit obligations to

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155. See *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 266–68 (2d Cir. 2023) (developing the framework); *Sessa*, 74 F.4th at 42–45 (refining the framework); *Holden*, 98 F.4th at 1366–68 (extending the framework to furnishers); *Roberts*, 131 F.4th at 250–53 (linking the framework to deletion).

156. See *Roberts*, 131 F.4th at 251–53 (illustrating the development of the objectively and readily verifiable standard); *Sessa*, 74 F.4th at 42–45 (emphasizing that verifiability turns on the nature of the evidence, not the legal nature of the dispute); *Holden*, 98 F.4th at 1366–68 (applying a functional standard to determine the scope of furnisher duties). But see *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 35–38 (1st Cir. 2010) (applying a categorical fact-law distinction); *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1236–38 (10th Cir. 2015) (excluding disputes requiring legal interpretation from the scope of furnisher duties).

157. 15 U.S.C. § 1681s-2(b)(1)(A)–(E); see also *Roberts*, 131 F.4th at 249–51 (interpreting those provisions to mandate objective verification).

158. Compare *Roberts*, 131 F.4th at 250–52 (treating unverifiability itself as requiring the removal of the disputed information), with *Holden*, 98 F.4th at 1367–68 (applying the verifiability framework but not construing the statute to mandate the removal of such information).

159. See 15 U.S.C. § 1681(a)(1), (b) (finding that the banking system depends on accurate credit reporting and requiring reasonable procedures to ensure fairness); H.R. REP. NO. 103-486, at 49 (1994) (emphasizing remedial goals and data accuracy objectives).

factual errors or exclude disputes with legal elements.<sup>160</sup> The 1996 amendments were enacted precisely because CRAs could not meaningfully resolve many disputes; they lacked the underlying documentation and often simply recertified the information from furnishers.<sup>161</sup> Congress imposed direct obligations on furnishers because they are in the best position to resolve errors at the source.<sup>162</sup> The Fourth Circuit’s approach restores that design by ensuring that investigation and deletion operate together to prevent unverifiable information from remaining in consumer files.

This framework functions as Congress intended only if applied broadly. Congress expected that when a consumer flagged a dispute, the furnisher would check its own records and either confirm the information or delete it if verification was not possible.<sup>163</sup> Courts adopting the fact-law distinction have undermined that structure by confining § 1681s-2(b) to transcription errors or other purely factual mistakes.<sup>164</sup> Disputes such as whether certain fees were authorized by a lease or whether a loan violated state usury law can often be resolved directly from existing records.<sup>165</sup> These questions do not necessarily require complex legal analysis in every case.<sup>166</sup> This categorical framing

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160. See 15 U.S.C. § 1681s-2(b)(1) (requiring action on “any information” without limitation); see also *Roberts*, 131 F.4th at 251–53 (rejecting categorical exclusion of legal disputes).

161. See S. REP. NO. 104-185, at 49 (1995) (explaining that CRA procedures could not ensure accuracy if furnishers supplied erroneous data); H.R. REP. NO. 103-486, at 41–42 (describing CRA limitations and the need for direct furnisher duties).

162. See S. REP. NO. 104-185, at 49 (stating that extending liability to furnishers is an “essential step in ensuring the accuracy of consumer report information”).

163. See *id.* at 49–50 (explaining that Congress imposed direct duties on furnishers because they possess the underlying account records necessary to resolve disputes and were therefore expected to review their own files and remove information they could not substantiate).

164. See *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 35–38 (1st Cir. 2010) (limiting furnisher duties to factual inaccuracies); *Denan v. Trans Union LLC*, 959 F.3d 290, 293–95 (7th Cir. 2020) (holding that legal disputes are not actionable); *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1236–38 (10th Cir. 2015) (illustrating courts’ restrictive application of furnisher duties).

165. See *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 266–68 (2d Cir. 2023) (involving a dispute over the legal effect of a bankruptcy discharge); *Chiang*, 595 F.3d at 35–38 (involving a dispute over billing authority); *Denan*, 959 F.3d at 293–95 (involving a dispute over the validity of loan terms).

166. See, e.g., *Chiang*, 595 F.3d at 38 (concluding that the furnisher was not required to analyze its own billing records to resolve the “legal” dispute); *Denan*, 959 F.3d at 295 (holding that the CRA was not required to compare loan terms to usury caps).

excludes disputes that, in practice, can be resolved through ordinary records.<sup>167</sup>

Courts that adopted the fact-law distinction illustrate how the approach undermines the statute's design.<sup>168</sup> In *Chiang*, the First Circuit characterized a consumer's dispute over billing charges as a "legal" issue, even though the service agreement and billing records in the furnisher's possession directly addressed whether the charges were authorized.<sup>169</sup> The Seventh Circuit applied a similar approach in *Denan*, declining to consider whether payday loans were void under state law.<sup>170</sup> It treated the issue as a purely legal question and held that the CRA had no duty to determine the loans' validity under Illinois and Florida usury statutes, notwithstanding that the loan terms and interest rates were matters of record that could be compared against statutory caps.<sup>171</sup>

Payday-loan disputes can also raise structural issues—such as identifying the "true lender" or determining whether a bank-partnership model shields a loan from state usury caps—that go beyond straightforward documentary verification.<sup>172</sup> Critics argue that requiring furnishers to investigate these disputes would be unreasonable because determining the validity of a lending structure demands regulatory or judicial analysis.<sup>173</sup>

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167. See *Chiang*, 595 F.3d at 35–38 (treating contract-based challenges as legal questions); *Denan*, 959 F.3d at 294–95 (continuing to treat usury-based challenges as legal questions outside the scope of FCRA investigation duties).

168. See, e.g., *Chiang*, 595 F.3d at 35–38; *Denan*, 959 F.3d at 293–95; *Wright*, 805 F.3d at 1236–38. These cases demonstrate the restrictive consequences of the fact-law distinction that undermine the statute's purpose.

169. See *Chiang*, 595 F.3d at 38 (characterizing a dispute over billing charges as "legal" and declining to require a furnisher to assess whether the charges were authorized under the service agreement).

170. See *Denan*, 959 F.3d at 294–96 (holding that the FCRA does not require CRAs to determine the legal validity of disputed debts).

171. See *id.* at 295–97 (reasoning that unresolved legal questions—such as choice of law and sovereign immunity—place debt validity outside the CRA's investigatory role, even where loan terms are undisputed).

172. See Adam J. Levitin, *Rent-a-Bank: Bank Partnerships and the Evasion of Usury Laws*, 71 DUKE L.J. 329, 333–34, 349 (2021) (explaining how nonbank lenders partner with banks to avoid state interest-rate limits and how "true lender" determinations often require complex legal analysis).

173. See *Consumer Fin. Prot. Bureau v. CashCall, Inc.*, 35 F.4th 734, 745 (9th Cir. 2022) (explaining that resolving "true lender" disputes requires a fact-intensive legal inquiry into the economic reality of the lending arrangement); Levitin, *supra* note 172, at 333–37, 349 (explaining that rent-a-bank arrangements often raise true-lender questions that turn on regulatory and judicial determinations).

This concern has force in close or unsettled cases, but it does not justify a blanket rule. Section 1681s-2(b) requires furnishers to verify the accuracy of the information they reported, not to resolve every potential challenge to a loan's enforceability.<sup>174</sup> In many payday-lending arrangements, the underlying documents clearly identify the entity that extended credit, state the interest rate, and specify the fee structure, allowing a furnisher to confirm whether it accurately reported those terms without deciding who the "true lender" is or whether a bank-partnership model is valid.<sup>175</sup> In the narrower set of cases where the lending relationship is truly ambiguous or the furnisher's records do not resolve the issue, the dispute may fall outside what is objectively and readily verifiable.<sup>176</sup> Under *Roberts*, that uncertainty is resolved through deletion rather than retention.<sup>177</sup> The possibility that some payday-loan disputes will be non-verifiable in this sense supports a targeted application of the verifiability standard, not a blanket exemption for all disputes that raise "true lender" or usury questions.

The Eleventh Circuit echoed this approach in *Wright*, declining to require a CRA to determine the enforceability of a debt when the dispute turned on legal interpretation.<sup>178</sup> Although *Wright* involved CRA duties rather than furnisher obligations, its reasoning reflected the same categorical logic.<sup>179</sup> By focusing on the form of the dispute instead

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174. See 15 U.S.C. § 1681s-2(b)(1)(A)–(E) (enumerating a furnisher's duties to investigate disputes and report results); see also *Roberts*, 131 F.4th at 251 (explaining that § 1681s-2(b) requires furnishers to verify "objectively and readily verifiable" information, not to adjudicate "unsettled questions of law").

175. See Levitin, *supra* note 172, at 333–34, 349 (explaining that rent-a-bank loan documents designate the originating bank and specify the interest rate and fees even though true-lender status may later be disputed).

176. See, e.g., *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 269 (2d Cir. 2023) (holding that a dispute is not "objectively and readily verifiable" when its resolution requires legal interpretation beyond the documents available to the furnisher); *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–44 (2d Cir. 2023) (acknowledging that some disputes may be so legally complex that they are not objectively verifiable); *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1365–68 (11th Cir. 2024) (treating a dispute as non-verifiable where the consumer provided no objective documentation resolving whether the debt remained valid).

177. See *Roberts*, 131 F.4th at 252 (holding that § 1681s-2(b)(1)(E) requires deletion when a furnisher cannot verify disputed information from its records).

178. See *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1239–40 (10th Cir. 2015) (treating the validity of the reported lien as a legal question outside the CRA's reinvestigation duties and refusing to require the CRA to determine its enforceability).

179. See *id.* (applying the same fact-law distinction later used by courts limiting furnisher duties and classifying challenges to legal validity as outside the scope of reinvestigation).

of its verifiability, these courts allowed inaccurate or unverifiable information to persist in consumer files.<sup>180</sup>

Other circuits rejected this categorical reasoning and instead examined whether disputed information could be resolved through objective verification.<sup>181</sup> The Second Circuit developed this framework for CRAs in *Mader* and *Sessa*, focusing on whether an inaccuracy could be resolved through a straightforward review of existing records.<sup>182</sup> In *Mader*, the court declined to impose liability for student loans reported as collectible after bankruptcy because the impact of a discharge order required legal analysis that a CRA could not reasonably perform.<sup>183</sup> In *Sessa*, by contrast, the court required correction when a vehicle lease was reported as a loan because the contract itself made the error apparent.<sup>184</sup> Yet even this type of dispute can present limits on verifiability. Under U.C.C. § 1-203, some leases are intended for security and therefore function as secured loans rather than true leases.<sup>185</sup> Determining whether a particular agreement falls into that category requires analyzing the parties' rights and obligations under the agreement—an inquiry that may exceed what a CRA or furnisher can

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180. *See, e.g.*, *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 35–38 (1st Cir. 2010) (treating a challenge to lease-related fees as a legal dispute and declining to require reinvestigation); *Denan v. Trans Union LLC*, 959 F.3d 290, 293–95 (7th Cir. 2020) (holding that determining whether payday loans violated state usury statutes required resolving legal questions that CRAs are not obligated to decide); *Wright*, 805 F.3d at 1236–38 (reaffirming that disputes requiring assessment of legal validity fall outside CRA obligations regardless of whether the underlying documents contain factual information).

181. *See, e.g.*, *Mader*, 56 F.4th at 266–68 (applying the objectively and readily verifiable approach to a dispute regarding the legal effect of a bankruptcy discharge); *Sessa*, 74 F.4th at 42–44 (adopting the standard for disputes involving the interpretation of lease terms); *Holden*, 98 F.4th at 1366–68 (extending the verifiability analysis to determine the scope of furnisher duties).

182. *See Mader*, 56 F.4th at 266–68 (focusing on whether an inaccuracy could be resolved through a straightforward review of existing records); *Sessa*, 74 F.4th at 42–45 (articulating verifiability inquiry for CRA duties).

183. *Mader*, 56 F.4th at 266 (holding that post-discharge enforceability of private loans was not objectively verifiable).

184. *Sessa*, 74 F.4th at 43–44 (holding that a CRA's reporting of a large “balloon payment” not actually required by the car lease stated an objectively and readily verifiable inaccuracy).

185. U.C.C. § 1-203(a)–(b) (providing that whether a transaction in the form of a lease creates a security interest depends on the facts of each case and listing factors indicating when a lease is intended for security).

reasonably perform through ordinary record review.<sup>186</sup> This distinction shows that the boundary depends not on labels, but on whether the records allow confirmation without legal analysis.

The Eleventh Circuit later applied the same reasoning to furnishers in *Holden*, marking the first appellate decision to apply the objectively and readily verifiable standard in that context.<sup>187</sup> While the plaintiffs' claims failed, the court recognized that § 1681s-2(b) turns on whether a furnisher can confirm disputed information through reasonable review of existing records.<sup>188</sup> *Holden* provided the foundation that *Roberts* later expanded.<sup>189</sup>

Critics of this broader interpretation raise two principal concerns. First, they warn that replacing the fact-law distinction with a flexible inquiry risks introducing uncertainty.<sup>190</sup> As one commentator observed, the “standard is now even more amorphous than before,” since disputes will now depend on whether information is “actually objectively and readily verifiable” and within the FCRA’s scope.<sup>191</sup> This critique frames the standard as uncertain because it turns on record-specific assessments rather than categorical boundaries, which may increase litigation and compliance costs by forcing courts and furnishers to make case-by-case determinations of verifiability.<sup>192</sup> Second, critics argue that the standard may blur the line between investigative and adjudicative functions, effectively requiring furnishers to act as

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186. *See* *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (holding that furnishers are not qualified or obligation to resolve questions that turn on legal validity); *Denan v. Trans Union LLC*, 959 F.3d 290, 296–97 (7th Cir. 2020) (finding that CRAs are not competent to determine legal validity under state usury law).

187. *See* *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1366–68 (11th Cir. 2024) (applying the objectively verifiable test to furnisher investigations).

188. *See id.* at 1366 (holding that § 1681s-2(b) requires a furnisher to conduct a reasonable investigation to determine whether dispute information can be verified).

189. *See id.* at 1365–66 (applying the verifiability framework to furnishers in a manner that anticipated the Fourth Circuit’s later integration of verifiability with statutory deletion in *Roberts*).

190. David T. Long Jr. & Andrew J. Narod, *Fourth Circuit Ruling Provides New Guidance as to Furnishers’ Duty to Investigate Legal Disputes Under the FCRA*, BRADLEY ARANT BOULT CUMMINGS LLP: FIN. SERVS. PERSPS. (May 20, 2025), <https://www.financialservicesperspectives.com/2025/05/fourth-circuit-ruling-provides-new-guidance-as-to-furnishers-duty-to-investigate-legal-disputes-under-the-fcra/> [https://perma.cc/4PST-DSAE] (“In some ways, this standard is now even more amorphous than before, where it was easier to identify whether a dispute was over a specific fact or over a legal determination.”).

191. *Id.*

192. *See id.* (suggesting that the new standard may increase litigation as courts determine what is “objectively and readily verifiable”).

“tribunals” when assessing disputes with legal components.<sup>193</sup> They caution that furnishers lack the institutional competence and legal authority to adjudicate questions of contractual enforceability or statutory validity—areas traditionally reserved for courts.<sup>194</sup>

These concerns are not misplaced. Disputes involving complex lending relationships or ambiguous contracts may demand interpretive analysis beyond a furnisher’s expertise.<sup>195</sup> The risk of overburdening furnishers or generating inconsistent outcomes must be addressed. *Roberts* addresses those concerns without retreating to categorical exclusions. The decision grounds the duty in the statute’s remedial structure and channels uncertainty through the deletion requirement.<sup>196</sup> When a furnisher cannot verify a disputed item through reasonable review of available documentation, the statute resolves the impasse by requiring deletion rather than retention.<sup>197</sup> The court also reaffirmed that disputes turning on subjective issues—such as allegations of fraud or retaliation—fall outside what can be objectively and readily verified.<sup>198</sup> That limitation marks the outer boundary of furnisher responsibility and preserves institutional competence. By rooting the standard in feasibility and statutory command, *Roberts* advances the balance Congress envisioned and ensures that consumers are not burdened by unverifiable data.<sup>199</sup>

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193. See *Denan v. Trans Union LLC*, 959 F.3d 290, 295 (7th Cir. 2020) (explaining that consumer reporting agencies are “neither qualified nor obligated to resolve legal issues”).

194. See *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (reasoning that furnishers are not equipped to make legal determinations); *Denan*, 959 F.3d at 296 (holding that determining whether payday loans violated state usury statutes was a “legal question” beyond the CRA’s role).

195. See *Denan*, 959 F.3d at 293–96 (holding that determining whether payday loans violated state usury limits required a legal determination beyond the CRA’s role); U.C.C. § 1-203(a)–(b) (providing that whether a lease creates a security interest depends on the facts of each case and identifying multiple factors for determining when a lease functions as a secured transaction).

196. *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 250–52 (4th Cir. 2025) (reading subsections (D) and (E) together to require furnishers to correct verified inaccuracies and delete information they cannot substantiate).

197. 15 U.S.C. § 1681s-2(b)(1)(E).

198. *Roberts*, 131 F.4th at 251 (stating that objectively and readily verifiable inaccuracies do not include claims requiring evaluations of subjective conduct such as claims of fraud or retaliation).

199. See H.R. REP. NO. 103-486, at 42 (1994) (concluding that accuracy cannot be ensured without imposing duties on furnishers, who are the source of the information).

Grounding furnisher duties in verifiability and deletion restores the equilibrium that the 1996 amendments sought to achieve.<sup>200</sup> The objectively and readily verifiable standard translates the FCRA's broad accuracy requirement into a functional rule by requiring correction when information can be reasonably confirmed and deletion when it cannot.<sup>201</sup> This interpretation provides a textually anchored, administrable framework for furnishers and courts. In doing so, it fulfills Congress's dual purpose of protecting consumers from the persistence of unverifiable information while ensuring that furnishers are not tasked with adjudicating complex disputes beyond their reasonable capabilities.<sup>202</sup>

## V. IMPLICATIONS

The most immediate consequence of *Roberts* lies in its impact on consumers within the Fourth Circuit. By grounding the objectively and readily verifiable standard in the statute's deletion requirement, the decision makes clear that disputed items cannot remain in credit files when furnishers cannot confirm their accuracy.<sup>203</sup> This safeguard matters because unverifiable derogatory items can distort core economic opportunities, carrying the same weight as verified obligations when lenders, landlords, or employers review an application.<sup>204</sup>

Although *Roberts* binds only the Fourth Circuit, its reasoning underscores what is at stake in the broader circuit split. In jurisdictions that continue to apply the fact-law distinction, a furnisher can

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200. *See id.* (emphasizing that the legislation is intended to ensure accuracy by imposing duties on those who furnish information).

201. *See Roberts*, 131 F.4th at 250–52 (applying the statutory framework which requires furnishers to modify or delete information that cannot be verified).

202. *See* H.R. REP. NO. 103-486, at 42 (identifying the lack of furnisher duties as a gap in the statutory scheme that prevented accuracy); *see also* *Denan v. Trans Union LLC*, 959 F.3d 290, 296 (7th Cir. 2020) (reasoning that determining the legal validity of debts exceeds a CRA's role and falls outside the dispute-resolution framework).

203. *See Roberts*, 131 F.4th at 250–52 (holding that information must be deleted if the furnisher cannot verify it); *see also* 15 U.S.C. § 1681s-2(b)(1)(E) (mandating that if an item of information cannot be verified, the furnisher must promptly delete it).

204. Derogatory credit report information refers to negative entries, such as delinquent or collection accounts. *See* CFPB, *supra* note 2, at 5, 17 (defining “derogatory” items to include late payments and collection accounts and describing the reliance on credit report information by lenders, landlords, and employers when making eligibility decisions); *see also* FTC, *supra* note 50, at 1 (stating that the FCRA was enacted to ensure the accuracy of consumer reports used by employers, insurers, and landlords).

effectively terminate the process by characterizing a dispute as “legal,” leaving the CRA without the records needed to resolve it independently.<sup>205</sup> As a result, unverifiable information can continue to circulate indefinitely, even though its accuracy has never been confirmed.<sup>206</sup> This pattern has appeared in a range of contexts—borrowers disputing payday loans rendered void under state usury laws and tenants challenging lease fees that contracts did not authorize.<sup>207</sup> In each, courts applying the fact-law distinction permitted disputed entries to remain because they were labeled “legal.”<sup>208</sup>

By contrast, the CRA cases applying the objectively and readily verifiable approach, such as *Mader* and *Sessa*, demonstrate how a functional standard limits liability without closing off consumer remedies.<sup>209</sup> In *Mader*, the Second Circuit held that whether a bankruptcy discharge applied to private student loan debt was not objectively verifiable, since resolving it required unsettled legal interpretation,<sup>210</sup> while in *Sessa*, the same court required correction when a lease was misreported as a loan because the error was apparent in the contract itself.<sup>211</sup> These cases illustrate the principle that disputes resolvable from objective records must be corrected, while those requiring legal analysis may fall beyond the statute’s reach.<sup>212</sup> Building on that foundation, *Roberts* extends the inquiry by making deletion mandatory when verification cannot be achieved, ensuring that

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205. See *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (holding that furnishers are not required to investigate disputes that turn on questions of law); *Denan*, 959 F.3d at 296 (holding that CRAs have no duty to determine the legal validity of a debt, effectively leaving the dispute unresolved).

206. See *Denan*, 959 F.3d at 296–97 (allowing a disputed debt to remain on the consumer’s report because the dispute involved a “legal” question of usury rather than a factual error).

207. See *id.* at 294 (recounting the borrowers’ claim that their payday loans were void under state usury laws); *Chiang*, 595 F.3d at 37–38 (recounting the consumer’s claim that the furnisher billed for fees not authorized by the contract).

208. See *Denan*, 959 F.3d at 296 (concluding that the validity of the loan was a legal issue that the CRA was not required to resolve); *Chiang*, 595 F.3d at 38 (concluding that the billing dispute was a legal question for a court, not a factual inaccuracy for the furnisher).

209. See *Mader v. Experian Info. Sols., Inc.*, 56 F.4th 264, 266–68 (2d Cir. 2023) (applying the objectively and readily verifiable test to a bankruptcy discharge dispute); *Sessa v. Trans Union, LLC*, 74 F.4th 38, 42–45 (2d Cir. 2023) (applying the standard to a vehicle lease dispute).

210. *Mader*, 56 F.4th at 269–70.

211. *Sessa*, 74 F.4th at 43–45.

212. See *Sessa*, 74 F.4th at 42–45 (finding the dispute verifiable because the error was apparent in the contract); *Mader*, 56 F.4th at 266–68 (distinguishing disputes requiring legal adjudication from those resolvable via factual verification).

unverifiable information does not remain by default.<sup>213</sup> In doing so, the decision shifts the burden of unverifiability from the consumer to the furnisher, consistent with Congress’s intent.<sup>214</sup>

For furnishers, *Roberts* reshapes compliance expectations by tying their duties to the records they maintain and to the deletion requirement. It confirms that they are not expected to resolve unsettled legal questions or weigh credibility disputes. Still, they must review the records they already maintain in the ordinary course of business.<sup>215</sup> If those records supply an answer, the furnisher must correct the report; if they do not, the statute requires deletion.<sup>216</sup>

This structure both narrows and expands the furnisher’s obligations. It narrows them by excluding responsibilities beyond a furnisher’s institutional capacity, such as adjudicating fraud claims or interpreting unsettled areas of law.<sup>217</sup> Yet it expands them by preventing avoidance through labeling disputes as “legal.”<sup>218</sup> The significance of *Roberts*’s approach becomes clearer when viewed across jurisdictions. In some circuits, unverifiable items may remain in consumer files indefinitely, while in objectively and readily verifiable jurisdictions they must be removed.<sup>219</sup> This divergence leaves furnishers operating in multiple regions with conflicting compliance obligations. By grounding the furnisher’s duty in what can be confirmed through existing records and requiring removal when accuracy cannot be established, *Roberts*

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213. See *Roberts v. Carter-Young, Inc.*, 131 F.4th 241, 250–52 (4th Cir. 2025) (tying the inability to verify disputed information directly to the statutory requirement for deletion).

214. See *id.* at 252 (placing the burden of resolution on the furnisher); H.R. REP. NO. 103-486, at 43 (1994) (stating that furnishers must “promptly delete” items found to be inaccurate or unverifiable).

215. See *Roberts*, 131 F.4th at 252–53 (emphasizing that furnishers need not resolve disputes turning on subjective intent or unsettled law, but must investigate and delete inaccuracies that can be resolved from ordinary account records).

216. 15 U.S.C. § 1681s-2(b)(1)(E); see also *Roberts*, 131 F.4th at 252 (discussing that the statute mandates deletion when verification fails).

217. See *Roberts*, 131 F.4th at 251 (explaining that disputes turning on subjective intent or unsettled law generally fall outside the category of objectively and readily verifiable inaccuracies).

218. See *id.* at 251–52 (rejecting categorical label-based exclusions in favor of a functional standard that asks whether the disputed information is “objectively and readily verifiable,” regardless of whether the dispute involves legal or factual questions).

219. Compare *Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (allowing disputes labeled as “legal” to persist in credit files), with *Roberts*, 131 F.4th at 250–52 (requiring deletion when the furnisher cannot verify the information).

provides a consistent, text-based framework that furnishers can implement across jurisdictions.<sup>220</sup>

The fact-law distinction creates persistent uncertainty for furnishers.<sup>221</sup> In some circuits, their obligations are limited to correcting obvious mistakes, while in others the duty is broader but undefined.<sup>222</sup> This variation makes compliance planning difficult for creditors and debt collectors operating nationwide. A furnisher might face one set of duties in the First Circuit and another in the Eleventh, exposing them to inconsistent liability depending on geography.<sup>223</sup> *Roberts* addresses this problem by supplying a predictable framework that furnisher compliance systems can adopt across jurisdictions.<sup>224</sup> It ties furnisher obligations to what can be reasonably confirmed from existing records and to deletion when accuracy cannot be established, providing a uniform standard for compliance planning.

The verifiability framework also gives courts a clearer method for applying § 1681s-2(b). The fact-law distinction forces judges to draw unstable lines between factual and legal disputes, producing inconsistent outcomes even on similar records.<sup>225</sup> A dispute treated as factual and actionable in one jurisdiction may be dismissed as legal and non-actionable in another.<sup>226</sup> Consumers' rights turn not on the statute's

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220. See *Roberts*, 131 F.4th at 250–53 (articulating a text-grounded and administrable standard); see also H.R. REP. NO. 103-486, at 43 (1994) (explaining that the investigation duties were intended to ensure inaccurate or unverifiable data is deleted).

221. See *Chiang*, 595 F.3d at 38 (demonstrating how the fact-law distinction limits furnisher duties); *Denan v. Trans Union LLC*, 959 F.3d 290, 296 (7th Cir. 2020) (showing the variability in the scope of duties under the fact-law approach).

222. Compare *Chiang*, 595 F.3d at 38 (limiting duties to factual inaccuracies), with *Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1366–68 (11th Cir. 2024) (requiring correction where records made the error objectively verifiable).

223. See *Chiang*, 595 F.3d at 38 (establishing a narrow duty in the First Circuit); *Holden*, 98 F.4th at 1366–68 (establishing a broader duty in the Eleventh Circuit).

224. See *Roberts*, 131 F.4th at 252–53 (articulating a predictable standard that ties compliance to the objective review of internal records rather than ambiguous legal classifications).

225. See, e.g., *Chiang*, 595 F.3d at 38 (dismissing a billing dispute as a legal question not subject to reinvestigation); *Denan*, 959 F.3d at 296 (dismissing a claim that a debt was void under usury laws as a legal question); *Wright v. Experian Info. Sols., Inc.*, 805 F.3d 1232, 1245 (10th Cir. 2015) (dismissing a dispute over the validity of a tax lien as a legal question).

226. Compare *Holden*, 98 F.4th at 1367 (finding that a dispute over timeshare debt was verifiable), and *Sessa v. Trans Union, LLC*, 74 F.4th 38, 43 (2d Cir. 2023) (finding that a dispute over a lease balloon payment was verifiable), with *Chiang*, 595 F.3d at 38 (dismissing a similar contract dispute as non-actionable), and *Denan*, 959 F.3d at 296 (dismissing a similar validity dispute as non-actionable).

text but on judicial characterization. *Roberts* instead directs courts to a text-based inquiry of whether the furnisher could have confirmed accuracy through objective documentation.<sup>227</sup> If the records supply the answer, the furnisher must correct the error; if they do not, the statute requires deletion.<sup>228</sup> By grounding the analysis in verifiability rather than categorization, the decision provides courts with a uniform method for applying § 1681s-2(b) and reduces the inconsistency that has followed from the fact-law distinction.

The persistence of the circuit split raises the prospect of eventual Supreme Court review. The Court has not yet addressed the scope of furnisher duties under § 1681s-2(b), but the magnitude of the split and its consequences for both consumers and furnishers make the issue a strong candidate for resolution. If the Court were to grant review, *Roberts* offers the most coherent and administrable framework to adopt.<sup>229</sup> The decision demonstrates how § 1681s-2(b) can be applied consistently across jurisdictions by grounding its reasoning in the statutory text and treating deletion as the safeguard Congress intended.<sup>230</sup> Nationwide adoption of this approach would unify the standard, restore the consistency Congress sought, and ensure that consumer reports reflect only verifiable information.<sup>231</sup>

## VI. CONCLUSION

Congress intended the Fair Credit Reporting Act to ensure accuracy in consumer reporting and to provide uniform protections across jurisdictions.<sup>232</sup> The 1996 amendments reinforced that design by

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227. *See Roberts*, 131 F.4th at 249–53 (centering the inquiry on statutory verifiability rather than the nature of the dispute).

228. 15 U.S.C. § 1681s-2(b)(1)(E).

229. *See Roberts*, 131 F.4th at 249–53 (interpreting § 1681s-2(b) to require furnishers to verify or delete disputed information that is objectively and readily verifiable from their records).

230. *See Roberts*, 131 F.4th at 250–53 (incorporating the deletion remedy into the analysis of objectively verifiable information to give full effect to Congress’s intent); H.R. REP. NO. 103-486, at 49 (1994) (explaining that the provisions were aimed at improving the accuracy of information in consumers’ credit files).

231. *See Roberts*, 131 F.4th at 253 (concluding that the statutory text compels a strict verifiability standard); H.R. REP. NO. 103-486, at 43 (stating that information must be promptly deleted if it “cannot be verified,” ensuring reports reflect only substantiated data).

232. *See* 15 U.S.C. § 1681(a)(1), (b) (stating congressional findings on accuracy and fairness); H.R. REP. NO. 103-486, at 49, 54 (emphasizing the goals of enhancing data accuracy and establishing uniform standards).

imposing direct duties on furnishers, requiring them to investigate disputes, correct inaccuracies, and delete information that cannot be verified.<sup>233</sup> The fact-law distinction undermines that structure by creating categorical exclusions that allow unverifiable information to persist in consumer files.

*Roberts v. Carter-Young* offers the best framework for carrying out Congress's intent.<sup>234</sup> By adopting the objectively and readily verifiable standard and tying it directly to § 1681s-2(b)(1)(E)'s deletion requirement, the Fourth Circuit demonstrated that furnisher obligations are neither unlimited nor minimal.<sup>235</sup> Furnishers must correct errors confirmed by objective documentation and delete information that cannot be verified.<sup>236</sup> This reading grounds the duty in the statute itself and enforces the safeguards Congress created to prevent unverifiable information from continuing to harm consumers.<sup>237</sup>

The persistence of the circuit split prevents this framework from being applied uniformly, leaving some consumers subject to unverifiable derogatories and furnishers facing conflicting obligations across jurisdictions.<sup>238</sup> *Roberts* does not eliminate those inconsistencies, but it offers the most faithful interpretation of the statute and the clearest path toward uniform standards. By grounding the objectively and readily verifiable framework in the deletion requirement, the decision ties furnisher obligations directly to the FCRA's text and purpose and

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233. Consumer Credit Reporting Reform Act of 1996, Pub. L. No. 104-208, § 2413, 110 Stat. 3009-426, 3009-426 (1996) (codified as amended at 15 U.S.C. § 1681s-2) (codifying furnisher duties under § 1681s-2(b)); 15 U.S.C. § 1681s-2(b)(1)(A)–(E).

234. *See Roberts*, 131 F.4th at 249–53 (interpreting § 1681s-2(b) through the statutory text and its remedial purpose).

235. *See id.* at 250–53 (linking verifiability to deletion while preserving practical limits on furnisher liability).

236. *See* 15 U.S.C. § 1681s-2(b)(1)(D)–(E) (requiring furnishers to report results and delete information found to be inaccurate, incomplete, or unverifiable); *Roberts*, 131 F.4th at 252 (holding that the statute compels deletion when information cannot be confirmed).

237. *See Roberts*, 131 F.4th at 251–53 (interpreting deletion as the statutory safeguard for unverifiable info); H.R. REP. NO. 103-486, at 49 (emphasizing that information must be deleted if it is found to be “inaccurate or incomplete or that cannot be verified”).

238. *Compare Chiang v. Verizon New Eng., Inc.*, 595 F.3d 26, 38 (1st Cir. 2010) (limiting furnisher liability to factual inaccuracies), *and Denan v. Trans Union LLC*, 959 F.3d 290, 296 (7th Cir. 2020) (holding that legal disputes are categorically excluded from reinvestigation duties), *with Sessa v. Trans Union, LLC*, 74 F.4th 38, 43 (2d Cir. 2023) (requiring correction of any error objectively confirmable from ordinary account records), *and Holden v. Holiday Inn Club Vacations Inc.*, 98 F.4th 1359, 1367 (11th Cir. 2024) (holding that furnishers must investigate legal disputes if they are objectively verifiable).

provides a workable model for national adoption.<sup>239</sup> In doing so, *Roberts* ensures that only substantiated information remains in consumer files by making the statute's deletion requirement fully operative whenever verification fails.<sup>240</sup>

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239. *See Roberts*, 131 F.4th at 250–53 (tying furnisher obligations to the statutory text); H.R. REP. NO. 103-486, at 49 (1994) (describing the duty to delete unverifiable information as a core component of the accuracy scheme); 15 U.S.C. § 1681s-2(b)(1)(E) (establishing the deletion requirement).

240. *See Roberts*, 131 F.4th at 252–53 (applying the deletion requirement to achieve the statute's remedial goals); *see also* 15 U.S.C. § 1681(a)(1) (declaring the congressional purpose of ensuring "fair and accurate credit reporting").

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