

Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## California State Law Regarding Medical Debt

Truist Bank (Truist) updates *Correspondent Seller Guide* materials to reflect changes made to the Key Loan Standard.

### Effective Date

Effective for new loan applications on or after January 01, 2025.

### Background Information

A state law has been passed in California prohibiting a person or creditor who uses a consumer credit report in connection with a credit transaction from using medical debt listed on the report as a negative factor when making a credit decision for borrowers in California effective January 1, 2025.

### Bulletin Details

#### Collections, Judgments, Garnishments, Liens, and Charge-Offs

Truist updates the standard to add medical collections and/or debt listed on a credit report cannot be used as a negative factor when making a credit decision for borrowers living in California.

#### Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of all standard revisions.

#### Revised Material

Click [Key Loan Standard](#) to review the revised product materials.

#### Former Standards

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former standards.



# Product Release

Information for Correspondent Lenders of Truist Bank  
January 24, 2025 • COR25-004

## Other Resources

Support Group	Description and Contact Information:
Correspondent Relationship Coordinator	Specific questions on applying this procedure to specific loan files. Contact your Correspondent Relationship Coordinator at 800.382.2111, option 1.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 3.

This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. This is not for solicitation of sales. Information is accurate as of date of posting and is subject to change without current product details and lending procedure. Truist Bank does not guarantee or assume liability for any third-party products or services. Truist Bank is an Equal Housing Lender. ©2025 Truist Financial Corporation. Truist, Truist Purple and the Truist logo are service marks of Truist Financial Corporation. All rights reserved.