

KEWANEE CREDIT BUREAU

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for which national statistics are available. Dollar losses associated with that fraud increased 40% from \$568 million to \$850 million.

ECONOMIC STATISTICS

Estimated Ch 7, 11, 12 & 13 bankruptcies for 1997 are 1,329,967, up from 1,117,470 in 1996. That is a 19% increase over 1996.

Installment Credit (including: auto, revolving, recreation, mobile homes, and personal loans) increased in 1997 by .8% from Sept. 1997 to \$1.233 billion. The Oct 1997 figure is up 4.7% from Oct. 1996.

Outstanding mortgage loans were at \$4.23 trillion in the 3rd quarter on 1997. That is up 17.8% from the 3rd quarter of 1996. (Collection & Credit Risk, vol. 3, #1)

YOU CAN'T MAKE UP STUFF LIKE THIS

"Prairie-dogging," the growing practice of standing up, looking and often talking over the top of the office panels, has become an often-debated and somewhat controversial issue. In fact, it's the topic of a national opinion survey.

Haworth Inc., one of the world's largest manufacturers of office furniture, is conducting the survey on the pros and cons of prairie-dogging. To participate in the survey, see:

www.haworthfurn.com/prairiedog on the World Wide Web.

Survey results will be announced in the next few months. Some of the mixed feelings toward prairie-dogging which have already been expressed by Haworth members include:

* Lee Davis, 5 foot-1-inch designer -- "Prairie-dogging is discriminatory, & I refuse to recognize the messages delivered in that fashion."

* Mike McNutt, 6-foot-6-inch specialist in information services -- "At my height, I can't help but prairie-dog. Accidental prairie-dogging has revealed some things I never wanted to see."

* Steve Nemeth, senior designer of ergonomic seating -- "Since prairie-dogging involves standing, which in turn promotes blood circulation for sedentary workers, I support it."

THE MAGNITUDE OF CONSUMER DEBT

The ACA estimates that bad debt costs every man, woman and child in the United States \$375.00 per year. This means that a family of four pays \$1,500 more for goods and services during the year.

More than half (53%) of consumers surveyed by the Bankcard Holders of America said they were in debt due to overspending. Medical bills, college expenses and job layoff were the top three reasons cited for overspending.

A recent study by the American Bankers Association found that check fraud cases reported by the banking industry increased from 537,000 in 1991 to 1.3 million in 1993, the most recent year

FAIR CREDIT REPORTING ACT QUESTIONS & ANSWERS

QUESTION: Does the amended Fair Credit Reporting Act require that a creditor obtain a consumer's signature before accessing his or her report?

ANSWER: NO. Although consumers are often required by a creditor to sign an application for credit, the law does not require a creditor, with a permissible purpose as set forth in Section 604(a) of the amended FCRA, to get a consumer's signature before accessing his or her report.

However, employers accessing credit reports should know that the FCRA, in Section 604(b) requires users of credit reports to follow strict guidelines. Specifically, the employer must give the disclosure required under Section 604(b)(2) in a separate document telling them that a consumer report may be obtained for employment purposes and the consumer has authorized in writing that the report be obtained. The employer must also comply with Section 604(b)(3) before taking any adverse action based on the report and no information from the report may be used in violation of any equal employment opportunity law or regulation.

QUESTION: Under the FCRA, if an account goes delinquent, becomes current, and then goes delinquent again, how is the "date of occurrence" calculated if it eventually is charged off or placed for collection?

ANSWER: Section 605(c) of the FCRA prescribes how a consumer reporting agency is to calculate a seven year period for charge offs, placements for collections, or other similar actions.

Many accounts cycle between being current and then going delinquent again. However, the law is only concerned about the circumstances where an account goes delinquent, and stays delinquent, and is never brought current by the consumer. In this case, where there is an unbroken series of delinquencies, the seven year period calculation must start with the first delinquency in the unbroken series of delinquencies which led to the action, that is the charge off or the collection.

KEWANEE CREDIT BUREAU HOURS

Monday - Friday 9:00am to 4:30pm

Consumer credit reports are provided from TRW / Experian. Business reports are provide from TRW / Experian. Residential Mortgage Credit Reports may contain information from: the Kewanee Credit Bureau, TRW, and/or Equifax.

The Kewanee Credit Bureau has served businesses since 1928.