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SURVEY SAYS PUBLIC BELIEVES CREDIT BUREAUS ARE BENEFICIAL

8 out of 10 Americans find the current credit reporting system to be beneficial to consumers, according to a Lou Harris and Associates study of consumer opinions about the credit industry conducted in January.

51% of the public believes their privacy rights are adequately protected by the law or business practices. This is up 14% from the study conducted in 1990.

When asked if they believed voluntary privacy policies adopted by companies or industry associations would be better than enacting government regulations, 66% of the consumers agreed. This question received strong support from conservatives, moderates and liberals.

58% noticed that businesses handling personal information are paying more attentions to privacy policies.

51% of the respondents were aware of the consumer issues involving credit reports or the operation of credit bureaus.

25% of all adults are knowledgeable about the proposed legislation to change federal rules on credit reporting

Nearly 92% said a creditor or a credit card company should have access to the credit records of an individual borrowing money or applying for a credit card.

The survey was designed to study the public attitudes and perceptions in the context of proposed reforms to the Fair Credit Reporting Act. It was set up to measure the awareness of the FCRA, public opinions about alternatives under consideration in Congress in amending the FCRA and the acceptance of credit checks and direct marketing which uses shared information about individuals. Lou Harris and Associates conducted the survey for MasterCard International Inc and VISA U.S.A. Inc. (ACB Communicator)

ANOTHER SURVEY

The Maryland Commissioner of Consumer credit recently conducted a survey of credit reporting disputes handled by their office in 1993. The Department claims 1018 consumer complaints reached their office during that year. A fact not noted, was that during the same time period, over 3.5 million credit reports were issued in the state of Maryland. Two-hundredths of 1% of all credit reports issued during 1993

resulted in a complaint with the Commissioner.

The report was filled with errors and statements which lacked any substantiation. Among the "findings" was that credit bureaus were not responsive to consumers and increased access to reports resulted in more inaccurate data being discovered.

The survey alleged that 56% of the 1018 complaints were resolved after the Commissioner became involved in the dispute. 10% resulted in no change to the file. 13% of the complaints had not previously contacted the bureau. And 21% of the disputes had nothing to do with credit reporting. (ACB Reports, June 6, 1994)

BANKRUPTCY REFORM PASSES SENATE

The Senate passed Sen. Howell Heflin's Bankruptcy Reform Bill, S540 on April 21. The measure contains the following provisions:

* It requires debtors filing for bankruptcy to provide all affected credit card account numbers.

* Debtors who paid taxes with borrowed funds, including credit cards cannot discharge such debts.

* Eliminates "cramdowns", a practice whereby a debtor does not have to repay the full value of a mortgage if the value of the house decline.

* Raises the level of Chapter 13 filings from \$350,000 to \$1 million

* Allows a debtor who is represented by an attorney to reaffirm a debt without having to go back to court. (ACA Credit-Alert June 1994)

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