

# KEWANEE CREDIT BUREAU

206 1/2 W. 2nd St. / PO Box 93 / Kewanee IL 61443  
11-B N. Sixth St. / PO Box 305 / Pekin IL 61555  
Web page: www.kewaneecreditbureau.com

309-852-2574 fax: 309-852-0995  
309-856-6630 fax: 309-347-1351  
e-mail: lnelson@ocslink.com

JUNE 30, 1995

VOL 3, #6

## CREDIT CARD NEWS

### VIOLATION OF FCRA LEADS TO EXCLUSIONARY RULE

According to The Supreme Court of Appeals of West Virginia, information obtained from a[n illegally obtained] consumer credit report, for use in a civil lawsuit cannot be used because it is a violation of the FCRA.

In STATE EX REL. STATE FARM INSURANCE & CASUALTY CO v. MADDEN, the plaintiff claimed that he was injured due to a serious fall on the defendant's property. And that the injury left him disabled and unable to work. The lawyer for the defendant hired an investigator who, in turn, got the plaintiff's credit report. This report showed that the plaintiff was working full time for an employer that the defendant and his lawyer did not recognize.

Under the FCRA, the credit bureau should not have furnished a copy of the plaintiff's credit report since it was not going to be used for a "permissible purpose." In addition, if the investigator lied about the intended use, he would have violated the FCRA. Therefore, the judge could exclude this evidence and any evidence to which the credit report may lead. (ACB Communicator Vol.V, #6)

### WORRIED COLLECTORS

Nearly 70% of collection industry executives worry that consumers are over-extended, according to a recent survey by Western Union Financial Services. Another troubling indicator is the surging popularity of Western Unions Quick Collect program for loan payments-mostly credit cards-that are 90 days past due. "We see that service growing as much as 40% year-over-year," says vice pres. Michael Yearington. (USBanker, June 1995)

### REAL PEOPLE

When you call the Kewanee Credit Bureau, you will get a real person to answer the phone, not one of those recordings that give you a "menu" of numbers to push. If you have any questions or problems regarding credit reports, please give us a call.

Delaware-based MBNA America Bank in partnership with Paramount Pictures, is issuing the Star Trek MasterCard. The Rolling Stones Visa Card is issued by Chevy Chase Bank. And the PGA Tours Partners co-branded card is issued by SunTrust. (CSC The Letter of Credit Vol. XI, #1 and Credit Card News, 1/15/95)

### CREDIT REPORTING BILL INTRODUCED

Legislation to revise credit reporting requirements under the Fair Credit Reporting Act has been introduced in Congress by Senators Christopher "Kit" Bond (R-Mo.) and Richard Bryan (D-Nev.).

Bond was co-sponsor of S.783, another credit reporting reform proposal, in last year's Congress. The new bill is roughly similar to S.783 and H.R.5178, which passed the House last year but died in the final hours of the 103 Congress.

S.709 would amend the FCRA by revising credit reporting requirements for prescreening, direct marketing, commercial transactions and those containing medical information, and consumer disclosures. Other changes affect procedures for disputed accuracy, responsibilities of furnishers of credit information, and duties of users of reports.

Further, S.709 would prohibit furnishing information if the consumer has notified the furnisher, in a reasonable and timely manner, that the information is incomplete or inaccurate.

The Bill was referred to the Senate Committee on Banking, Housing and Urban Affairs.

### THE RETIREMENT CD

The controversial deposit product structured to give annuity-like payments at maturity and retain FDIC insurance has insurance companies up in arms. Now the IRS is blowing its whistle. The IRS has proposed denying the CD's tax-deferred status, it is taking public comments on the matter until July 18 and has scheduled a hearing in August. (USBanker, June 1995)

### KEWANEE CREDIT BUREAU HOURS

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