February 13, 2017 / Consumer Data Industry Association Statement

The following statement is in response to Encore Capital Group’s announcement that it was shortening the time certain negative information remains on a consumer’s credit report. Encore Capital Group, a debt buyer and collection agency, will remove credit report tradelines (the payment history of a consumer’s credit account provided to the major credit reporting agencies) after two years, rather than the current industry-standard of seven-years. The following statement is attributable to Eric J. Ellman, Interim President & CEO at Consumer Data Industry Association.

“The Consumer Data Industry Association ("CDIA") and its members agree that debts sold or placed for collection are relevant to other lenders and such information often bears on a determination of creditworthiness. Credit data should be consistently reported according to the industry-standard reporting guidelines so that lenders using the data can make reliable, informed and accurate credit and other business decisions. Lender insight into collections activity helps support risk-based pricing, which benefits the majority of consumers by rewarding positive behaviors. We don’t see the decision by a single debt collection agency as a definitive statement of intent from the entire debt collection industry. The CDIA encourages data furnishers to follow industry guidelines.”