

>>MALE SPEAKER

Folks if we can get back to your seats please. Welcome back. Today's second session will address the interaction between debt collectors and the credit reporting system, some concerns that this interaction raises, and possible responses to these concerns. Our moderator is Becky Kuehn, an Assistant Director in the FTC's Division of Privacy and Identity Protection. That's the FTC office charged with primary enforcement of the Fair Credit Reporting Act which is why we roped her into running the panel. Thank you very much, Becky.

>>REBECCA E. KUEHN

Thank you Tom. Good morning. We turned the mics up so hopefully that will address some of the problems people were having hearing. I would like to give a second for the panelists to introduce themselves to you. We have great panel here this morning and I think we'll have a lively discussion. Because of the number of topics and the amount of discussion we anticipate and the amount of questions we anticipate, we'll remind the audience if you have questions to write them on card and hand them up, we're going to dispense with opening statements but we will allow everyone to introduce themselves. So, first April.

>>APRIL BRESLAW

Good morning. Seems like the mic is working here. My name is April Breslaw. I'm the acting Associate Director for Compliance Policy FDIC Division of Supervision and Consumer Protection. Which is a mouthful. The FDIC supervises about 5,000 state chartered banks so in my office we deal with consumer protection policy on a wide range of issues including fair debt collection as sometimes applies to banks though not always, and other consumer statutes.

>>ERIC J. ELLMAN

I'm Eric Ellman with the Consumer Data Industry Association, CDIA. We are a trade association that represents the consumer reporting industry as well as debt collectors.

>>IAN LYNGKLIP

My name is Ian Lyngklip, I'm a consumer attorney. I'm also the co-chair of the National Association of Consumer Advocates.

>>DONALD REDMOND

I'm Don Redmond. I'm corporate Counsel with Portfolio Recovery Associates, primarily a debt buyer.

>>MICHAEL TORMEY

I'm Mike Tormey. I'm from Advantage Network Systems co-chairman. I'm a contingency collection agency and the only non-attorney in front of you.

>>REBECCA E. KUEHN

That gives you a special mark. Wanted the start first with an issue that was mentioned in the last panel and came up during the course of the discussions yesterday. And that's the issue of disputed accounts. I heard references yesterday during the discussions particularly during from consumer bar that after consumers are raising issues that the accounts aren't being reported as disputed.

So I thought I would first address one issue that came up in probably one of the last panels which is apparent confusion on what it means to have account be disputed. So I would like to first start with April from FDIC to talk about sort of maybe the statutory framework for when an account is considered disputed under the Fair Credit Reporting Act.

>>APRIL BRESLAW

As probably many of you know under FCRA furnishers are required to report accurate information to credit bureaus. I guess our perspective would be that if there is a dispute that there is a question about whether the information is accurate. So we would mark it by that.

>>REBECCA E. KUEHN

Any difficulties from the debt buyer and contingency collector to the extent you engage in credit reporting on determining when it is that a consumer's dispute relates to the accuracy, and I believe this statute refers to completeness as well, that maybe less relevant. Of an item? Either Don or Michael

>>MICHAEL TORMEY

I'll start with it. One thing you have to keep in mind, even if it's not a written dispute, when a consumer notifies the agency, that the debt is in dispute, we cease reporting it. Because we can no longer verify the accuracy or the completeness of that data. And that can be done verbally or in writing.

>>REBECCA E. KUEHN

Any questions, or I guess ways in determining when it is a consumer has actually disputed it? One question we heard on the last panel was is a request for verification under the FDCPA sufficient to raise essentially a dispute about accuracy or completeness? And have you guys looked at that issue and how do your companies address that?

>>MICHAEL TORMEY

Again I'll respond first and perhaps Don can add to it. In our own operation our position is that when a request for verification comes out, we cease reporting it until the 30 days is past and we've responded to the consumer.

>>DONALD REDMOND

I would like to answer your first question which is I don't think it's confusing when somebody disputes a debt. I have rarely seen an occasion where there are interpretation problems over whether something is disputed. It's also been my experience when people dispute debt, they're generally vehement about it. So I don't think there are a lot of occasions when you can't recognize a dispute.

>>REBECCA E. KUEHN

Ian, from the consumer perspective.

>>IAN LYNGKLIP

I think there's two circumstances that I think you need to be able to address. One, when you're getting direct communications as a collector from the consumer. The second is when it's coming in over the ACDV system. The problems we see, first and foremost, are that the debt collectors are not acknowledging or taking appropriate action to mark the debts as disputed when those disputes come in over the ACDV system. In other words, when the consumer is challenging the item, not his or hers, challenging the balance,

challenging whether they owe it at all and the bureaus in turn forward that to the debt collectors. The debt collectors are not returning those ACDVs with a dispute code. That's a written dispute as clear as any others the debt collectors can -- would receive directly from the consumer. That's a problem that we see and that is an industry-wide basis that we do not see those dispute codes coming back. And that is one which should be well included within the definition of a dispute for purposes of the FDCPA. When the dispute is coming in directly to the debt collector, any time the consumer is noting that they don't owe the money or owe the amount sought, that's enough to put them on notice and that code has to be thrown under E-8.

>>REBECCA E. KUEHN

The point Ian raises whether there's a difference when you note something as disputed either through coming through what we call the reinvestigation system where it's referred from the consumer reporting agency to the debt collector, versus a dispute that's raised directly from the consumer with the debt collector. Are there any differences as Ian has noted from his experience with his consumers, from your perspective, Don, or Michael, in whether you note something as disputed or whether -- what industry practice is in that regard?

>>MALE SPEAKER

My personal opinion is a dispute is a dispute. Doesn't matter to me what avenue it comes through.

>>MICHAEL TORMEY

I agree. I think as earlier panel talked, the more we want to have communication with the consumer, the better we are. The last thing you want to do is to minimize the amount of information that's provided. So whether it comes through ACDV or directly from the consumer, we'll treat a dispute as a dispute.

>>REBECCA E. KUEHN

Ian's observation leads to a follow-up question which relates to the reinvestigation process itself and handling of disputes that are routed through the consumer reporting agency process. Some of the comments that have been filed in advance of this conference have raised issues with what kind of information that debt collectors and debt buyers and contingency collectors maybe able to get in responding to consumers disputes they have filed through the consumer-reporting agency? And this is a theme I think that occurred yesterday and has continued through this morning about the adequacy of information from the credit perspective, the creditor perspective that should be available to debt collectors, contingency collectors who are performing reinvestigations. And I wonder whether Don or Michael, you have any observations about your ability to conduct reinvestigations after receiving disputes from the consumer reporting agencies?

>>DONALD REDMOND

Obviously information is key. And we got into this when we had the conference call and -- everybody has raised that issue. The debt buyer whose have sat up here raised that issue, the consumer attorneys who sue people for a living like Ian have raised that issue. One thing everybody agrees upon is the best

information we have or can have is key to the process. You'll get no disagreement from me on that.

>>MICHAEL TORMEY

Within our own experience and own practice, when we receive a dispute and the company whom we are representing does not have adequate information to support that dispute, we close and return the debt. We will not continue to pursue it.

>>REBECCA E. KUEHN

That sounds similar to what the prior panel was talking about, the ACA's code of ethics, they can't get adequate verification of a debt, that they notify the creditor and they cease collection on the debt. You also take the step of ceasing to report on the debt or how does that relate to your reporting efforts?

>>MICHAEL TORMEY

If I may, the one thing you have to remember that under fair credit reporting is we can no longer verify a debt, we're prohibited from reporting it. So we close it. We notify the credit reporting agency that the information is no longer valid and they delete that from the file.

>>REBECCA E. KUEHN

Ian, you want to make an observation?

>>IAN LYNGKLIP

I do. I think I understand what the practice is that you folks are engaging in and sounds to me like if you don't have those documents you're returning, that seems like the appropriate thing to do. I think that maybe going a step beyond what you maybe required, but I'm -- what we see on an industry wide basis the prevailing trend is debt buyers and contingent collection agencies do not treat the verification process as one which is meeting the requirements of the current case law. Under the current case law, verification means you have to check original documents. We do not see any attempt to -- I shouldn't say that. We see few and far between attempts to check original documents as part of that verification process, either when it's coming in as a G dispute or whether it's coming in as a Fair Credit Reporting Act dispute over the Oscar system. And the position that we have gotten consistently time and again is we don't have to have these documents on hand, we've got a balance, we have records, internal records, emails or data logs showing this money owed. That's not enough under the case law and inquiry needs to focus what we mean by verification? The case law is clear that's not enough.

>>REBECCA E. KUEHN

That raises an issue from yesterday. The difference between the verification requirements and the FDCPA and how they're interpreted and what kind of information you need to verify debt. Versus the courts that have looked at the reinvestigation process and what it means to properly investigate a debt. And you have a fair amount of litigation experience. What's been your experience with the difference in the way the courts have looked at those issues?

>>IAN LYNGKLIP

I think on the verification of debts on the G side, the standard has been far below what we see under the Fair Credit Reporting Act, you see the fourth circuit case

in Chowdhry (ph) and in some cases they're willing and the 9th circuit sided with them, that's put to rest. In some circumstances you can rely on the creditor and what they're telling you but that is to take that as a blanket rule that you can do that in every circumstance, that's not right. You have got to respond to the actual information that you have got in front of you. If there is a consumer sending you statements or is giving you specific information, detailed information about account histories that you don't have available, I don't think that just relying on the creditors documents that they have conveyed to you at the time of assignment is going to be enough. Under the Fair Credit Reporting Act we have a different standard and that standard pervades throughout everything that happens under that act. That is that we're striving for reasonable procedures to assure maximum possible accuracy. Much higher standard than we're dealing with. So I think that what's interesting is that I have seen a number of debt collectors when responding to a dispute under 1692G make the efforts to go get the original documents. We do not see the same effort extended when they're getting the disputes in under the Fair Credit Reporting Act which to me is anomalous because you have such -- a much higher standard for the accuracy they have to bear when trying to verify debts under the Fair Credit Reporting Act. One thing I would impress is that if this consumer is providing specific information, that information must be responded to in whatever the process is, that leads us to the problem we have with the E Oscar system, because that system itself is not capable of conveying all relevant information to the data furnishers and we don't see the data furnishers pushing back on the industry looking for better conveyance mechanisms. We don't see documents being traded back and forth over it. It seems to us that system is inadequate to meet the needs of the consumer under either of the two statutes.

>>REBECCA E. KUEHN

Eric, give you an opportunity to respond.

>>ERIC J. ELLMAN

I think it's an important point Becky, for you and everyone else to understand that we in the consumer reporting industry want successful reinvestigations. Everyone wants successful reinvestigations. Consumers want their disputes handled quickly and they want their disputes handled efficiently. They want action. One of the greatest challenges in reinvestigation process is attempted credit repair of these collection trades. In fact, we -- it's well established that one-third of all consumer contact with credit bureaus are results of credit repair and a significant high percentage of those disputes are from the credit repair outfits continuing to pound and pound and pound on those accounts in the hope they will beat the data finisher into submission to have that information removed from the file. But let's talk about how reinvestigations are successful first. The FRB and FTC as you well know cited some data in your recent report from Transunion, which showed 95% of disputes are handled to the satisfaction of the consumer. Only 5% of consumers keep coming back to dispute the same information again. We should keep in mind because there's a dispute isn't necessarily there's an indication that the process is failing because of the dispute problem. The disputes are handled quickly. 54% of disputes are submitted by

consumers come over the phone or web. The use of these channels is increasing because consumers want their disputes handled quickly and efficiently.

>>REBECCA E. KUEHN

Eric, could you speak closer to your microphone please?

>>ERIC J. ELLMAN

Of course. Is that better? 44% of the consumers who submitted data in writing, about 85% submitted only a standardized form or letter, approximately 10% involved in identity theft report. So really only 2 or 3% of communications involved other information. It's clear from this data that very few disputes in fact involve extensive data from consumers. And most of the consumers are coming in like I said through the web or telephone and it's increasing frequently.

>>MALE SPEAKER

If I could address a point that Eric was making about credit repair organizations. There's no question the credit report repair organizations are distorting the marketplace in terms of being able to allow the credit reporting industry to do what it needs to do which is to provide accurate information. There's no question that they are bogging down the credit bureaus and raising the costs so that consumer cannot get the same level of service that we would hope that they would. But one of the things that I would say is that the consumers may want actions fast but don't want action fast at the cost of a \$500,000 mortgage hanging in the balance. We want these disputes responded to within the time frames provided by the statute. And we want to make sure that the information that's going back accurately reflects what the state of affairs of the underlying documents were. One of the problems that we see is that we have not had the opportunity and we're in many ways being prohibited as a consumer bar from taking action against the credit repair organizations who are preying on consumers trying to get them to give the money the push letters on the bureaus. The mandatory arbitration clauses have really prohibited us to use statutory remedies provided to us which would otherwise be very helpful to us to eliminate those. And we would hope that the industry would support us in allowing us to use those statutes. We can't do it as the market is currently configured.

>>REBECCA E. KUEHN

We had a question dealing with the -- I guess about over arching understanding of the industry. It's -- this goes to you, Michael. How often is an item reported by a contingent collector as opposed to say the original creditor reporting it as in collections? What's your practice as an example?

>>MICHAEL TORMEY

In our practice when we report the data on a consumer, we retain it, maintain it with the credit-reporting agency a long as we have that assignment of the debt. Once the assignment ends then that is removed from the credit-reporting agency. I rarely see that when a credit grantor is already reported the information to the credit reporting agency, that they continue to report it as in collections so we don't see a duplicate entry of that data on the file.

>>REBECCA E. KUEHN

There were examples yesterday and perhaps it's the nature of the industries involved. One involved utility reporting which is that the first collection they refer to that they don't actually do -- that those collection agents don't do credit reporting for those accounts, if they need further efforts they may send them to a separate collection agency that does reporting for different periods of time. You guys see distinctions with your customer base as to what the directives on reporting, what the directions are, what to report, when to report?

>>MICHAEL TORMEY

From one industry to another it's pretty much the same. It's when it's assigned if it's truly an assignment of the debt to us then it is all reported to the exception of I can think of one of my client whose a medical agency who doesn't want any of their information reported and we of course oblige them and block that data.

>>APRIL BRESLAW

One thing I would add from the banking agency perspective is that we leave these choices to the parties but what we would expect to see would be that in the agreements between the parties that it's clear who has the responsibility and not just at first but ongoing. So it's the party's choice but we want to make sure everybody addresses it clearly.

>>REBECCA E. KUEHN

Does that lead to issues of who handles disputes? Is there some sort of arrangement? Sounded like that at least in the initial instance and the information that debt buyers at a minimum perhaps collectors are getting from the creditors at the outset may not have all the information to address consumer's dispute. Do you guys deal with credit reporting for example by contract with your -- the entities from whom you purchase debt or on whose behalf you collect debt as far as being able to handle disputes timely within the FCRA guidelines and be able to obtain the information necessary to respond to consumers' disputes about reporting?

>>MALE SPEAKER

Let me jump in for a second if I could. To Ian's point about yes, speed is important but so is efficiency. We're obviously in regular communication with all data furnishers to make sure that the reinvestigation process goes not just quickly but efficiently. And I think what we heard a few moments ago is that from the debt buyers and debt collectors that information is good but it's not just a question of that information is good, it's a question of the right kind of information. The data furnishers have been telling the consumer reporting agencies the information they're getting is sufficient to meet their reinvestigation obligation.

>>REBECCA E. KUEHN

Don.

>>DONALD REDMOND

If we're furnishing the data we think it's accurate.

>>REBECCA E. KUEHN

What happens if you receive a dispute based on that if the information in your files doesn't address the dispute raised or doesn't seem to have the piece of information that you need?

>>DONALD REDMOND

I think any responsible data furnisher tries to be as accurate as possible. If any responsible data furnisher can't report accurately, they shouldn't report.

>>MICHAEL TORMEY

I would mirror the same sentiments. When -- as a contingency agency we'll receive a dispute. We'll go back to the firm that forwarded the data, or the assignment to us. And seek validation in that respect if the information that we have in the file is not adequate to answer the inquiry. More times than not, upwards of 90% they are the generated request that comes from the credit repair clinics which is very generic, this is not my debt, period.

>>REBECCA E. KUEHN

That's what I was going to ask as far as your experience in handling disputes that have come through credit reporting system. We have heard talk about the credit repair problem. What has been your experience with -- you have just given a figure of 90%.

>>MALE SPEAKER

We get burdened by that stuff too. We get tons of the same form letter that says the same thing from 20 different websites where some poor soul bought that garbage for a fee and mailed it out to all of their accounts. And I think it's a terrible problem, terrible enough, it's one of the only thing is put in my comment letter to the FTC. There's now an industry of people who is out there to dispute things for a fee. I think you have to recognize that when you look at credit reporting and similar issues. There are people all over the Internet today trying to sell people lots of times you'll see documents that are fake legal documents. One of them I get all the time is the petitioner's private international administrative remedy demand. Some lawyer in the room tell me what that means. We get that same document over and over and over. It's like 40 pages long, full of all kinds of crazy things. Quoting house joint resolution something or other. It's nonsense.

>>REBECCA E. KUEHN

By the 10<sup>th</sup> or 15th time you see it you realize --

>>MALE SPEAKER

10,000th time I have seen it. That's how I know the name.

>>MALE SPEAKER

The credit repair organizations -- the clinics are clearly a problem but that doesn't address the underlying question of how to deal with actual disputes from consumers providing reasonable information saying the information is disputed. And what are you doing in that process to get -- get accurate information back into the system? And what we see time and again over certainly over the ACDV system is that there's not really the same level of effort given to getting those baseline documents, the foundational transactional documents to verify the debt. That's what's at issue, at least for the consumers. We're talking about consumers tendering legitimate disputes. What's the industry doing for them?

>>REBECCA E. KUEHN

Sounds like from our current panel's perspective that they have procedures in place but I want to talk about an issue you raised Ian, prior to our panel today. Which is the issue of reporting items as disputed and whether there should be

some requirement to go back and correct prior reporting to note that an item is disputed. If you could summarize what your issue is, please.

>>IAN LYNGKLIP

The difficulty is this. Currently the way that the commentary to FDCPA is structured there's no affirmative obligation to credit report. What we see is that credit reporting will continue on after a consumer has disputed this debt and sought validation. This is a problem for a number of reasons. But the chief one is that the debt collectors are required to cease all collection activity after there is a dispute that is tendered by the consumer. So if you're getting a timely dispute from a consumer in response to a G notice, you got to stop credit reporting during that time period until that debt is validated. And verified back to the consumer directly. So we don't see that happening. One of problems is that we see collectors relying on the commentary for that and for other practices like just cease -- stopping reporting in the face of litigation.

>>REBECCA E. KUEHN

I think to look at that question and to examine that question we have to understand the nature of the frequency of reporting by debt collectors and contingency collectors. In comparison most creditors report on a routine frequent basis.

>>APRIL BRESLAW

That's correct.

>>REBECCA E. KUEHN

If something comes up a dispute is risen they can report it disputed in the next update, next report on that particular consumer?

>>APRIL BRESLAW

That's what we see on the banking side.

>>REBECCA E. KUEHN

I understand that reporting maybe different or slightly different in the collection area or is that not the case?

>>ERIC J. ELLMAN

Not been my experience. We furnish data constantly.

>>REBECCA E. KUEHN

About the same consumers whether there's changes or no changes?

>>ERIC J. ELLMAN

Absolutely.

>>MICHAEL TORMEY

The practice with the credit reporting agencies we deal with, we actually dump our last data from the last report and we supply an entire inventory of this weeks data.

>>MALE SPEAKER

That is our experience as well. One of the things this is interesting is that the position we see from the debt collectors is, well, if we haven't changed this data, if this data has not been updated in some way, we're not affirmatively reporting though they are consistently doing exactly as described. They're doing a complete data dump of all their accounts, all their receivable accounts. When we get further down the road into litigation and we see there's a tape that's going out

every month with this information, we can show that, yeah, they have been engaging affirmatively in collection activity but the view of the industry is as long as we haven't updated that and that's no change in the status of the debt we haven't report it. That's how it's acting out, that's how they're interpreting it on a day-to-day basis. It's leaving a lot of consumers without actually having the benefit of the rights that they have got under 1692G, to have the debt collector cease reporting until such time as they have verified this debt.

>>MICHAEL TORMEY

Let me clarify. When I use the word dump, I mean they remove all the data we had previously reported and resupply it with current data. That's the difference there. If a consumer disputes a debt with us on Monday we key that into our system. Friday when we generate the tape and transmit to it the credit reporting agencies they remove the previous data and that data is subsequently blocked from reporting. So it disappears on the credit-reporting file until we resolve the dispute.

>>REBECCA E. KUEHN

So it's no longer reported at all regardless --

>>MICHAEL TORMEY

That's correct. That's our practice.

>>MALE SPEAKER

That's not what we see as industry practice. We see that those trade lines continue to persist all throughout the validation period and sometimes the validations when we're dealing with ID theft or other complicated issues, they take months and these items are still sitting on the reports.

>>REBECCA E. KUEHN

What about the situation, doesn't sound like Don or Michael that either of you are one of these type of reporters but there are what we call the occasional furnishers. Eric, maybe you can talk about that. There are still people within the industry that only report when something has changed or they report initially when they obtain an account for collection. And don't provide that regular updates, regular tapes.

>>ERIC J. ELLMAN

That's obviously the case there are businesses like that. We fully expect that anybody who furnishes to a consumer-reporting agency whether they do it once a year or once a month shares the values that we share which is to create a precise credit reporting system that's in full compliance with the FCRA.

>>REBECCA E. KUEHN

I guess one of the ways this question has been posited and has come up are for those what I call occasional reporters, that when they reported it the debt wasn't disputed, for example. But that they no longer report on the account whether the account is sold or transferred. We'll talk more about that. But the statute, the Fair Credit Reporting Act when it deals with reporting talks about when you furnish the information and you know there's a dispute you need to mark it disputed. One of the issues the FTC should look at and address dealing with the situation where there's a previous report of information that's not updated, no further tapes have been submitted, but a dispute has come in after the reporting

has been done. And is that something Ian that you have seen or an issue you have come into?

>>IAN LYNGKLIP

This there is a disparity in what we see the practice actually is and that legal requirement. Seems to us because the debt collectors are in fact making monthly reportings that we can look at them and say you are furnishing data on the consumer and you are reporting and you are in violation if the consumers disputed it. And you haven't updated it in marking the dispute code and you know the it's in the valid and you're allowing the trade line to exist in the credit files of the bureaus. The occasional reports, we're not seeing quite so many of those. It's very difficult to know at first blush when you get into one of these cases whether or not you're dealing with an occasional reporter. You have got to do some serious investigation to find out whether you're dealing with them. So it's not a problem that we have dealt with, most of the problems that we have seen have been with regular reporter whose monthly do their tape drops to the bureaus.

>>REBECCA E. KUEHN

We have a good question from the audience, perfect for Eric to answer. Since we're speaking in acronyms up here and we do FCRA work, Eric there is a tendency to fall into acronyms. Can you explain what the E Oscar and ACDE systems.

>>ERIC J. ELLMAN

The E Oscar system is an automated system for positing disputes that come in to start the reinvestigation process under FCRA, Fair Credit Reporting Act. The dispute will come to the consumer reporting agency though as a result of the fact that consumer consist now directly to data furnishers which we think is a very positive step to promote the accuracy of the credit reporting system. The E Oscar system is automated system. We're proud of the fact that the use of E Oscar has gone up from 83 -- the use of it has gone from 83% in August 2006 to 94% in June of 2007. That is really only good news for consumers because that means 72% of all consumers their disputes are being resolved in 14 days or less.

>>REBECCA E. KUEHN

Wanted to move off of this a little bit. We have a couple of other issues we need to cover. The second one deals with -- I think this is an issue maybe a little more unique to the debt collection industry than it is perhaps in the creditor realm even with the repurchase and repurchase and consolidation of banks. Which is the multiple reporting of a single debt collection account. Where a debt collection account shows up multiple times, a number of commenters prior to the conference raised the issue that there will be multiple account numbers associated with a single collection account from different collection agencies. They show up differently, have different balances, different amounts. And that from the creditors perspective it can be difficult to interpret whether or not these are multiple collection accounts or single accounts reported different ways. How does that impact from the creditor perspective their ability to fairly evaluate a consumer's credit worthiness?

>>APRIL BRESLAW

Certainly we're furnishers but also users of this information. And I think echoing what's been said for different reasons, it's certainly very important for creditors to have as accurate information as possible so they can make accurate credit decisions about people so that's a -- I think that's certainly a concern of those who are granting credit. I understand that CDIA issued guidance particularly for the debt collection industry on reporting in an effort to I think address this issue. Wonder if you could summarize closely to the mic please, for the audience, Eric what CDIA put out.

>>ERIC J. ELLMAN

Before I get into that, it's important for us to recognize that we don't support duplicate reporting. I don't think any collector supports duplicate reporting either. A debt that's been sent out for collection we should make clear that we'll have two trade lines the original debt and the collection account. But the credit recording research guide, which a guide we provide to data furnishers to help ensure they are partners in the accuracy process of the credit reporting system is clear. In that collection agencies and debt purchasers must delete any accounts that have been canceled or returned to the creditor or sold to another entity. That's made clear: We regularly provide specialized notices to certain data furnishers, groups of them. We have done it for student loans, we have done it for debt collectors and debt purchasers. And others. We have recently reissued in the last week or so again, specific notice to reinforce the fact that collection accounts, collection agencies and debt purchasers have to delete the information if the debt has been sold or transferred.

>>REBECCA E. KUEHN

That includes going back to the original creditor or is it in the instance of when it's sole or transferred?

>>ERIC J. ELLMAN

The point of the precise reporting and the point of our notices is to make sure that the information that's on the credit file is in fact precise, which means that if the debt is sold or transferred that anything that doesn't belong on the report is not on the report.

>>REBECCA E. KUEHN

Ian you're chomping at the bit. Have you seen this?

>>IAN LYNGKLIP

Sometimes they do, sometimes they don't. This goes to a deeper problem. Most of the problems we have with debt collectors reporting debt and the errors in things like reaging, providing false balances, this information can be easily verified through historic records of the original creditors who have this. We're living in a marketplace where portfolios of debt are incredibly fluid. They're moving from bank to bank to bank to bank, being sold and resold and getting transferred to collection agencies and sold to multiple debt buyers up and down the line. These same trade lines and debts can acquire upwards of a dozen account numbers before we get to the final end of these problems. One of the problems is, the first is we do not have record retention requirement in the Fair Credit Reporting Act to allow us to trace the items back so that somebody can actually look at what has been reported and use the data assuming it was

accurate in the first place so that we can go back, trace the audit trail of this data and be able to show, look, this account came from here and was transferred there and there and there. Acquired these names, these account numbers, was disputed umpteen times and was ultimately deleted because somebody figured it out. We don't have that record trail, that audit trail.

>>REBECCA E. KUEHN

That's in the comments filed by NCLC that mentioned this earlier. The idea of a change of title or chain of --

>>IAN LYNGKLIP

This also goes straight to the idea that in this era where I can go down to the local computer store and buy a TERA bit server, we can't preserve any of the metro 2 data? The bureau discards this data regularly and we can't trace it back, we have no way of doing it. Once they have interpreted the data from the furnishers, we have very limited mechanisms to be able to identify what happened. And we should be seeing that these reportings at least are retained during limitations period that's applicable to the reporting. The second problem, I'm sorry, but the second problem is that the format itself, the metro 2 format recognizes that this is a need for being able to identify an originating creditor and they have a special segment set out for identifying that and the problem is that that doesn't help us identify a complete chain of title. Nor does it help us identify original account numbers or subsequent account numbers or when a fraud account by a major credit card holder or issuer takes a fraud account, closes the fraud account and reopens a new balance with it and creates a new account. Each of those accounts we have seen those accounts take parallel separate lives but both wind up on the consumer's report in hands with different debt collectors. The problem is that the metro format itself does not provide a mechanism and does not provide the -- I want to say the requirement. There's no industry requirement that that prior data, the limited amount that's here be provided. That data, if a debt collector cannot provide an original creditor, original balance and date on which the account was opened the information that is in the base segment of this, the base information that identifies that account, that data should be rejected as inadequate because it's unreliable and unverifiable. If you don't have the information about the account it's unverifiable and unreliable and inaccurate. Not from a reliable source.

>>REBECCA E. KUEHN

I'll let you answer Don and then circle back.

>>DONALD REDMOND

You made that point 20 times in the last 45 minutes. The point you just made, which you made the first time I heard you filibuster on this point about an account having upwards of a dozen account numbers is just not true. I have never seen an account with a dozen account numbers. I would love to see an example of it if somebody has got that. That is not typical of the industry. You made it up or you have seen a very, very strange case. I would love to see an example of it. A dozen account numbers.

>>IAN LYNGKLIP

When these accounts get transferred from a small local bank bought up by large, larger National Bank which transferred to another one, we can look straight to the Bank of America. I have accounts that I can trace from local banks that go through four separate national banks before they begin hitting the debt collection industry and acquire at each of those new banks. Acquire new account number at least one new account because they're boarded by them, they may retain original account number initially but change it when they want to restructure their portfolios.

>>REBECCA E. KUEHN

That sounds like an issue with the creditor side on the transfer of debts from creditor to creditor and not so much the debt collection industry.

>>DONALD REDMOND

Do not typically change an account number every time they get an assignment from somebody who owns an account. That doesn't hold anybody collect. How would assigning new account numbers every time a collection agency gets an account help anybody collect? Different every time, you can't identify it.

>>IAN LYNGKLIP

Everybody has their own internal account numbers on the initial Dunning Letters. This is the original account number, here is redacted to what it is and we see those internal numbers being used as a reporting number and we have got a provision for it in the manual here and maybe a dozen is too many for industry standard but it is not uncommon by a time a debt collector gets this or debt buyer get this is to see an account have three or four account numbers. That is a normal process and there's still no matter what not a mechanism to track that account through the system.

>>DONALD REDMOND

Not a normal process for an account to have 3 or 4 account numbers. That is not normal.

>>IAN LYNGKLIP

Do you know what account numbers have been assigned by prior collection agencies, contingent agencies? Do you get that information?

>>DONALD REDMOND

What I get is the original account number and that's the same one that we use.

>>REBECCA E. KUEHN

Ian I have to cut you off because we're going to run out of time if we don't. April wanted to say something, then I had a specific question about that.

>>APRIL BRESLAW

I guess what I would add is that if accounts are being transferred within the world that I know, which is among the creditors, the banks that you just described, what -- not just the FDIC but the banking agencies would expect that the banks involved have policies and procedures in place to make sure that accurate reporting always starts from the beginning and always happens. So if they make the business decision to change account numbers for some reason, that's okay, but they need to make sure that the reporting to the credit bureau remains accurate. That's what we would hold our institutions to.

>>DONALD REDMOND

And the metro 2 format has a standard to establish that the original creditor is reported by a debt collector or debt buyer.

>>REBECCA E. KUEHN

Is it also the case -- good question from the audience. About sold and transferred accounts, and the reporting under metro 2, if you can explain Eric on that.

>>ERIC J. ELLMAN

Just to reinforce what I said earlier, again, because we all share the importance of creating a precise credit reporting system is that to prevent the multiple reporting of information like Ian is talking about is to establish that when a debt is sold or transferred that there's an established procedure that be deleted so it doesn't show multiple collections which don't in fact exist any more.

>>REBECCA E. KUEHN

That was my question to Don and Michael to give you guys an opportunity to respond. The question is is the guidance provided by CDIA about in essence deleting the reporting or removing the reporting of accounts once sold and transferred, is this something you see being adopted in the industry? Is this something that you guys have followed? What is your experience with that?

>>MICHAEL TORMEY

The one thing I can say is even before the changes from CDIA and the industry going back to fair credit reporting 101, 30 years ago or whatever it was is when you can no longer validate or verify a debt, you can no longer report it. So when the assignment of a debt is terminated by your client and whether they take it back in-house and write it off or they sell it to a secondary source, I cannot ethically or legally continue to report that information. And we delete it. That is the common practice in the industry.

>>DONALD REDMOND

It's no surprise the credit reporting resource guide is sitting here on the table. It's an excellent source of information, very much the standard that everyone uses. And there are good reasons for that.

>>REBECCA E. KUEHN

Sounds like at least one of the main problems that Ian has identified which there possibly being multiple chains of accounts or multiple collection accounts reported with respect to a single collection account can be addressed at least in some part by no longer reporting on accounts that you're no longer collecting on. Michael wants say something.

>>MICHAEL TORMEY

If I could talk to that a bit. What's Ian was referring to is let's say he has a master charge account with bank A. Bank A subsequently decide to sell their master charge business to bank B. And then subsequently goes to bank C and bank D and bank E. When you look at the credit report itself there will be those listings of those accounts. But it will show zero balances and it will show the account experience that that bank had with that consumer for the period of time that they own the debt. Then often it will say sold or transferred and then you can see that chain of accounts. And the original opening date of the trade line will stay the same. The account numbers may vary but actually for credit reporting purposes

it's very important to know that bank A had it for six months, Bank B had it for three years, Bank C had it for two years or whatever the case maybe going back to the statute of limitations. So it's not inaccurate and its not duplicate. It is that those are different times that those accounts belong to a different vendor or a different vendor of that credit. And then subsequently if the information or the debt becomes delinquent and it is then assigned to a collection agency, then you'll get an additional trade line showing the collection being assigned from the last creditor.

>>MALE SPEAKER

If the account is reported with zero balance and the creditor is only reporting the payment grid, that's correct. You can show the historical data and the zeros but I'm not talking zeros. I'm talking about when the first bank doesn't zero the trade line or maybe the bank 1 zeros it but bank 2 or 3 doesn't or debt collector 2 or 3 doesn't zero the trade line. One problem is there's no affirmative obligation at least under the FDCPA that prior reporting be retracted. So theoretically, the way that the FDC is interpreting this is, that can persist on a report even if it's not the same way the CDIA is recommending that those data furnishers handle it. The law doesn't actually comport with the industry standard is. Theoretically if the industry standard was being followed that would go a large way to helping the problem but one of the issues is that we don't see compliance and we don't see bureaus kicking back that data. And we do not see the mechanism for the bureaus to be able to recognize those account numbers and correspond them to each other if there is a new account number being assigned.

>>REBECCA E. KUEHN

Sounds like that's one of the challenges of a voluntary reporting system. As far as what information is reported, what information the bureaus can -- you know, ask for.

>>MALE SPEAKER

Couple of comments? Becky you're spot on. This is in fact a voluntary system. And that's what makes it unique. And that's what makes it quite beneficial as we've heard from all the testimony in Congress as a result of the fact act and other things which is a good segway into the point that the credit reporting agencies that precise credit reporting system does not and cannot happen in a vacuum. We rely on data furnishers, on users of consumer reports, in fact, Congress recognized this when they went through the fact active dates in 2003 and imposed new and significant obligations on data furnishers that have never existed before. Obviously the FTC and others are going through the rule making process for furnishing rules and accuracy and integrity and all that. If in fact there are deficiencies on the furnisher side perhaps they would be addressed in the rule making process.

>>MALE SPEAKER

I point out that the system is not voluntary for those people who are disputing debts. They are clearly disputing the debts, they have a reason. They think they have a good reason to dispute them. For them it is completely involuntary that these items persist on the reports.

>>MALE SPEAKER

Something else we got to recognize Becky, credit reports to anybody, even people who do this stuff for a living, it's just complicated material. And I think it's certainly true, Michael was pointing out sold or transferred to so and so. I mean, when you look at a credit report it's not easy for anyone to understand all the data that's there sometimes. I know from what I have seen there are many times when somebody is concerned about their credit report but they simply don't understand what's there. One of the problems like linear algebra, no way to make it simple. So when people are look at these many times they don't know what they have there though it's perfectly correct.

>>REBECCA E. KUEHN

There may be no errors. It's just hard to understand.

>>MALE SPEAKER

There's certainly times when there are errors. But one thing that makes it difficult for any consumer let alone the least sophisticated consumer dealing with a credit reporting issue is that the stuff is just complicated and hard to understand when you look at it.

>>REBECCA E. KUEHN

Let's go to two other areas as we're closing in on our time I want to make sure we have adequate time the talk about these. One of them that came up, I think in a number of comments filed in advance of the workshop. The issue of what we like to call reaging of debt. You guys asked for definition in advance of discussing that. In essence, that is a situation in which a debt collector or subsequent debt buyer, subsequent furnisher of information about an account changes the date of delinquency, the date that obsolescence of the information is determined. The Fair Credit Reporting Act I'm sure everybody knows this, has limitations on how long negative information about a consumer can be reported and that is keyed to the date on which the consumer has been determined delinquent, the date of delinquency. There's specific rules on that. One concern we have heard and with from the consumer side and a number of commenters, those in the debt collection industry who are changing the dates basically changing the date in such way moving it forward in time so that the accounts stay on the reports longer than that. Wanted to let Ian briefly have an opportunity to talk about sort of what he's seen with respect to that problem and then talk about maybe ways in which we can address that.

>>IAN LYNGKLIP

I think -- I'm not sure I want to say this is an industry-wide problem because certainly there are -- we see a lot of accurate information at least as relates to this particular problem. We do see some of the market players the same market players doing this over and over again. The way that this comes about is there's a specific piece of information that's required by the metro 2 code. And it's the date of first delinquency. What we see the debt collectors doing is substituting in either the date on which they acquired the portfolio or date of last payment for the date of first delinquency. And there could be a very big difference between these dates and sometimes we've seen sometimes this is due to simple error of them not understanding but after a debt collector has been sued a couple of time for making the same error, we tend to doubt that that's actually an error and looks

more like a policy to us. And one of the things, again, back to the idea that having a record retention requirement for the metro data coming in from the original creditors or having an actual chain reflected of the original creditor with their date of first delinquency and any subsequent in the format that would solve this problem immediately. Which is that we could all look back to that data which is reported every single time and be able to say okay, the date of first delinquency the creditor had was January 1st and all of a sudden it changes.

>>REBECCA E. KUEHN

This is a question for April. It relates to the amount of information provided from the creditors when they sell debt or when they assign it for collection. Should there be requirement on banks and other issuers to provide the original date of delinquency, is there existing requirement when selling the debt to debt buyers or on down the chain?

>>APRIL BRESLAW

Beginning to sound like a broken record here but our approach is very much that parties when selling debt or engaging in these transactions can make whatever arrangements make business sense to them. But we would hold our banks responsible for reporting accurate information and they would have to have a defensible date of first delinquency when they start off. And I think we would also expect it in a transaction that there would be -- that this would be covered in the transaction documents to make sure that problems about inaccuracies don't arise in the future.

>>REBECCA E. KUEHN

Don and/or Michael, about information you obtained from creditors when you purchased it or to obtain it for collection, is this information you get as part of the information you do get on a consumer?

>>DONALD REDMOND

We purchase date of delinquency. If anybody takes date of delinquency, supposed to be 2002, and they put 2005 for purpose of extending the reporting period, they're breaking the law. No responsible player in the industry would condone that.

>>MICHAEL TORMEY

I would add that the marketplace takes care of some of this on its own. Again, anecdote, but some years ago when I was associated with one of the credit reporting agencies it came to our attention that one of the people in the marketplace was manipulating those dates. We barred him from posting data to the database and did so for about five years. That had a severe impact on it. I think in the case of Ian, has an agency he knows about, if he takes that information to the three major players, they would probably take a serious look about whether they want to continue to do the maximum reporting accuracy standard with that particular agency.

>>REBECCA E. KUEHN

Eric jump in here. Sorry Ian.

>>ERIC J. ELLMAN

Michael highlighted an important value, CDIA and members strongly believe data furnishers want to report data that is accurate and in compliance with the law.

The date of first delinquency is specifically regulated by the FCRA. It's specifically the subject of specific guidance and the credit reporting resources guide. There's one and only one date of first delinquency, that date never changes. It's clear in the statute, it's clear in the guidance that we provide to data furnishers. Again, if this is an area and this is perhaps this is a subject that's best addressed in a data furnisher role or as I think we have heard from our panelist whose are represent the business side, that there doesn't appear to be a widespread problem.

>>REBECCA E. KUEHN

We had a question of clarification Don about your comments. You said something about purchasing the first -- date of first delinquency.

>>DONALD REDMOND

When we purchase a file, the type of data that is included in the file.

>>REBECCA E. KUEHN

So you're not purchasing files where is you don't have that information, or is that not the case?

>>DONALD REDMOND

That doesn't do us much good. The point is to get as much data as we can. That doesn't mean occasionally a record won't come through that's incomplete. That happens any time you get 5,000 of anything, you might have some that are wrong. But that's, you know, or incomplete but that's obviously not the point. The point is we try in every file to purchase certain data including the date of delinquency.

>>REBECCA E. KUEHN

One of the tensions here, this maybe a question raised by the desire to make sure we're not having multiple accounts reported but at the same time making sure that the dates of delinquency are reported. Is it what I call the alternative date of delinquency rules that came out in the last amendment to the FCRA depend on first knowing whether or not the account is reported before. And for accounts are say other than credit accounts that have traditionally been reported historically but may only be reported first time in the collection process or not. You don't know. That's the sort of information do you get history of what's been reported by your prior debt owner, the creditor or different kind of debt owner, what's been reported to the CRAs before it's come to you. In other words not just date of first delinquency but what what's previously reported to the CRA.

>>MALE SPEAKER

I'm not aware of a credit reporting histories.

>>MICHAEL TORMEY

Most of my clients have never reported before. A large portion of our business is medical so they're not in the general part of reporting on a routine basis. So the first time that it hits the credit file it's from us.

>>DONALD REDMOND

Last point before we leave this topic. We have established there's 62385 obligation dealing with establishment of date of delinquency but the new component of the fact act, puts a new standard of liability on date of furnishers

that prohibits them from furnishing data that they know or have reasonable cause to know is not accurate.

>>REBECCA E. KUEHN

We want to talk about last the intersection of FDCPA and FCRA. It deals with issues of accounts reported to the consumer reporting agency prior to a consumer knowing that a debt collector or a debt buyer has the account for collection. One proposal that's been raised proposals is that the debt collector or debt buyer should delay reporting until after the expiration of the initial 30 day notice under the FDCPA. First question I have relates to credit user industry, in other words the credit issuers. What effect would that have sort of delaying by 30 days the reporting of accounts that are sent to collection on the data that credit issuers rely on?

>>APRIL BRESLAW

Obviously everyone wants the most accurate and current information possible. So I think that that would have -- it's only 30 days. But I think that it would have some degree of impairment, I guess, on the ability to make accurate credit decisions. My own view is that on balance if there is a serious consumer problem, that that might outweigh the concern that creditors might have because of the delay.

>>REBECCA E. KUEHN

I want to throw this to Don and Michael because this is a proposal that effects your industry. The specific proposal you send your 30 day notice but can't report on a debt until after that period has expired. Is that something that -- what kind of impact would that have?

>>DONALD REDMOND

I think it's a bad idea for the credit economy overall. Our credit economy depends on accurate reporting. If people have debts that aren't showing up on credit reports that's not accurate. I agree, it's only 30 days so the prejudice that would result may not be huge. But I think in the end credit reporting is not about helping people or hurting people or anything of the like. It's about being able to make for future credit grantors to be able to make good decisions based on accurate information. And I think the credit reporting system is going to work the best when the information is as accurate as it can be. So if people have debts that shouldn't be on their credit report, that's not accurate. That's a bad idea. If that you have debts that aren't showing up on their credit report, that's a bad idea too. So I think on balance I don't think that it's a great idea.

>>REBECCA E. KUEHN

I'll let Michael jump in before you Ian if you're ready to go.

>>MICHAEL TORMEY

One last thing to add to that, I think we would see a further chilling effect in the housing market. Particularly in the C and D level paper where marginal buyers are trying to get into the housing market, the 30-day delay in accurate information on a credit report could really have an adverse effect on that market which frankly doesn't need any help right now.

>>REBECCA E. KUEHN

Ian.

>>IAN LYNGKLIP

This goes directly to a practice we see time and time again which we refer to as parking the debt on the consumer's report. One of the important concepts behind the entire FDCPA is the notion the consumer has an ability and a right to dispute this debt. And in so, when they do dispute these debts, to get the collector take a look at whether or not this debt is valid in both -- in total or whether just to some of the amounts requested that they pay. The problem that we see over and over again is debt collectors park these items on the consumer's report without ever sending the validation notice. So we see items on the reports for months and years at a time before there's any contact with the consumer. The consumer does not have the ability, does not have even the right to invoke the rights under the act to dispute the debt. The G notice doesn't go out because the debt collector is not communicating. What's happening is this is a practice of report first validate much, much later. And what we're talking about is a very, very limited period. And in fact, you're raising what is effectively a straw man which is that, oh, somehow or another this item comes off the report for the 30 day and the credit granting community is deprived of the data. Not so. You can provide in your agreements for a time of reporting. You can provide in your buy sell agreements for these portfolios that the original creditor or the other debt buyer whom you are acquiring this debt will continue their reporting of this item. In fact, we see them doing it anyways. It's what we just talked about these items continue on the report and there's no obligation for them to actually remove it. These item can persist on the report during the validation period but should not do so under the new debt collector or new debt buyer's trade line until they have validated this debt or at least given the consumer the opportunity. The relevant trigger on the FDCPA is the first communication with the consumer. If that communication doesn't ever occur, then this item can stay on the report for a very long time under the current statute.

>>REBECCA E. KUEHN

Something akin to the negative information notice for example that's required of creditors prior to providing negative information on a consumer report.

>>MALE SPEAKER

Absolutely but if we say you can't report during the validation period, I think that is not what the FDCPA reflects currently. At least if there's going to be reporting there should be the opportunity for the consumer to dispute, have that be a trigger which is permissible to allow the consumer to dispute. So once they have got -- once a debt collector decides they're going to send this information on to the bureaus, they should be required to send out some kind of a notice that allows the consumer to activate their rights under 1692G.

>>>>REBECCA E. KUEHN

Mike, you have your microphone.

>>MICHAEL TORMEY

Yes, I do. In the real world out there I don't know of any collector that would choose not to send a notice to a consumer upon the assignment of a debt. We're asking for payment. And if we don't want to get paid, sure, we won't send a notice but that's kind of silly. The point is that we will send that notice and I

believe in Colorado, Lori Hughes is in the room, she might tell me what I'm right. I think we're required to send the notice within 5 days of the assignment of the debt so no one would park the debt on a guy's credit report hoping they'll be turned down for credit and come looking for you to make the payment. You won't represent your client very long if you do that.

>>MALE SPEAKER

You just said stuff can get on somebody's credit report, I don't know where the word parking came from, and a notice won't go out for years. Who would do that? Who would do that?

>>MALE SPEAKER

A debt collector collecting a debt less than \$100 and doesn't want to spend the money on a stamp when they have only paid .37 cents for the debt. That's who. That's where we see it most commonly in the context of with all due respect of medical debts maybe for a single blood test where there's a \$57 debt or whether there's a -- an outstanding check, small debts are a prime target of that. Certainly when dealing with a large debt of \$40,000, credit card debt of some kind, the debt collector needs to make contact and needs to get out there and talk with the consumer, find out whether arrangements can be made, to do what is appropriate to get the debt paid.

>>REBECCA E. KUEHN

It's only when the consumer is applying for credit years down the road they discover this account had been reported.

>>MALE SPEAKER

I see that time and time again for some of my consumers. See it -- for others it maybe just that they have gotten their regular annual free credit report, something like that.

>>REBECCA E. KUEHN

I was going to mention that. Thank you for bringing that up.

>>MALE SPEAKER

These things turn up in odd ways but we see consumers coming to our office and maybe that simply the debt collector has not actually effectively skip traced them and found them, the consumers have not received the notice. That may not necessarily be a situation where the -- where you didn't send the G notice but we see consumers regularly showing up at our offices with items on their report that they have never received contact with a debt collector, most frequently with very small debts that would not merit sending a notice and invoking entire FDCA compliance protocol under 1692G.

>>REBECCA E. KUEHN

Doesn't sound with respect to our panelist this is a practice that they're familiar with or with the debts they handle.

>>MALE SPEAKER

I don't know why anyone would not try to collect the debt they have. The idea that somebody would park a trade line without trying to collect the debt just doesn't sound logical to me.

>>REBECCA E. KUEHN

At least with respect to the debts that you guys are involved with, an initial notice is going out, you guys are making the attempt to collect, and so the consumers are at least aware of your existence, that you have the debts. With respect to -- there are collectors who are reporting on debts but who choose for whatever reason at the time being, not to collect on a debt or they're waiting until consumers credit has improved before attempting to collect on a debt. What's your view of a requirement similar to the negative information notice that would require the bare minimum letting a consumer know before any reporting is done on them? Obviously I'm not sure it would greatly effect you as much because you are already sending initial notice. But is that something that -- do you see down sides or pitfalls to that?

>>MALE SPEAKER

I do. In one particular case say we received a -- an account from one our clients today. And when we put it into our database we have 7 or 8 other accounts that have already been assigned. And the address that this client has given us is an address we know to be bad. We know that we can't find this person. This is already in a skip trace situation. If we're prohibited from reporting that information until we can actually make a bona fide attempt at validation, you can put the information in limbo land for a time and deny credit grantors accurate information.

>>REBECCA E. KUEHN

And that was an issue discussed with the last panel to trace the right consumer and get notice to them. You may not be able to get notice to them. If they have moved, changed addresses and you haven't been able to locate them.

>>MALE SPEAKER

That assumes the requirement would be that the consumer receives it, simply addressed by providing that the notice has to be sent to the best available address. Once you provide for that, then you can send the notice. Send the notice and start reporting. If the consumer contacts you later and says by the way I see my report and they're talking with you, now we have a G notice as backstop to provide you with the opportunity to validate that debt.

>>REBECCA E. KUEHN

Guys I'm going to wrap this up because we started a few minutes early and say thank you. This panel has been lively. The questions have been great. Thank you so much.[Applause]

>>MALE SPEAKER

Thank you, very much, Becky and panelist. I want to say we're going to extend lunch instead of an hour make it an hour and 15 minutes. But we're still going to end the day at the same time. So if y'all would get back by 1:30 rather than 1:15. We'll need to start promptly at 1:30. Thanks very much. Enjoy your lunch.