

California Assembly Unanimously Passes Encore-Supported Legislation to Help Victims of Identity Theft and Fraud

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Bill Provides Greater Transparency and Quicker Resolution of Identity Theft and Fraud Claims

SAN DIEGO, May 12, 2016 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (NASDAQ:ECPG), a San Diego-based international specialty finance company, recently announced that the California Assembly has unanimously passed Encore-supported legislation to help victims of identity theft and fraud.

California Assembly Bill 1723 passed the Assembly with unanimous bipartisan support. The Assembly approved the legislation with a 74-0 vote. The bill will now move to the state Senate.

Encore partnered with State Assemblyman Bill Dodd (D-Napa) on this consumer-focused legislation to provide prompt relief for victims of identity theft or fraud and to raise debt collection industry standards. In two previously held hearings this session, Encore testified in support of the legislation.

Encore's efforts to raise industry standards and consumer-centric approach is consistent with Encore's Consumer Bill of Rights, the industry's first and only declaration detailing the commitment to conduct business ethically and in ways that support our consumers' financial recovery.

According to the Bureau of Justice Statistics, there were 17.6 million adult victims of identity theft in the United States in 2014 – that is a victim roughly every two seconds. [1] “We hope this legislation will assist in taking the burden off of the victims of identity theft, providing better guidance, greater transparency, and faster resolutions,” said Sheryl Wright, Encore Capital Group's Senior Vice President of Corporate & Government Affairs.

“We pride ourselves on our consumer-centric approach. That being said, consumer safety and respect serve as the foundation of our organization,” continued Ms. Wright. “This legislation seeks to generate standards that will assist victims of identity theft to resolve their investigation and continue to move forward with their lives.”

The bill's provisions go beyond existing state and federal law to provide greater consumer protections.

Specifically, the bill's requirements would provide the following protections:

- Debt collectors must initiate an investigation within 10 business days of receiving fraud/identity theft documentation from a consumer. Current federal law provides for a 30-day investigation timeframe.
- Consumers must be notified of how the fraud/identity theft dispute was resolved, regardless of the outcome. Current state law only requires a notification when the dispute is found to be invalid.
- Credit bureaus must be notified within 10 business days that the account is disputed or that the account's trade line needs deletion after a fraud/identity theft investigation. Currently, this notification process takes some debt collection companies up to 60 days.
- Creditors must be notified within 10 business days that collection activities have been terminated due to fraud/identity theft. Current state law requires a notification back to creditors, but does not stipulate a timeline.

“Identity theft does not discriminate based on your political party and many of my colleagues in the legislature, myself included, have been victims of identity theft. This bill is a prime example of how members of the legislature can work together to pass common sense legislation that will positively impact millions of people in California,” said Assemblyman Dodd. “It's critical that we ensure people can restore their credit and recover from identity theft as quickly as possible, and I'm pleased to join with consumer advocates and responsible companies to advance this bill.”

“Encore is proud to support this essential legislation in partnership with Assemblyman Dodd. It's important to our

company to stand behind meaningful policies such as this one that provide a great benefit to consumers,” said Ms. Wright.

In terms of consumer-centric legislation, Encore has previously worked with U.S. Rep. Scott Peters (D-Calif.) on a bill before Congress that would exempt consumers nationwide from tax liabilities on up to \$2,500 of forgiven consumer debt.

[1] <http://www.bjs.gov/content/pub/pdf/vit14.pdf>

About Encore Capital Group, Inc.

Encore Capital Group is an international specialty finance company that provides debt recovery solutions for consumers across a broad range of assets. Through its subsidiaries around the globe, Encore purchases portfolios of consumer receivables from major banks, credit unions and utility providers.

Encore partners with individuals as they repay their debt obligations, helping them on the road to financial recovery and ultimately improving their economic well-being. Encore is the first and only company of its kind to operate with a Consumer Bill of Rights that provides industry-leading commitments to consumers. Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of the Russell 2000, the S&P Small Cap 600 and the Wilshire 4500. More information about the company can be found at <http://www.encorecapital.com>. More information about the Company's Cabot Credit Management subsidiary can be found at <http://www.cabotcm.com>. Information found on the company's or Cabot's website is not incorporated by reference.

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