

Governor Signs Encore-Supported Legislation to Help Victims of Identity Theft and Fraud

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New Law Will Provide Greater Transparency and Quicker Resolution of Identity Theft and Fraud Claims

SAN DIEGO, Sept. 19, 2016 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (NASDAQ:ECPG), a San Diego-based international specialty finance company, recently announced that California Governor Edmund G. Brown, Jr. signed into law Friday Encore-supported legislation to help victims of identity theft and fraud.

Prior to reaching the Governor's desk, California Assembly Bill 1723 passed both the Assembly and Senate Floors with unanimous bipartisan support. The bill has received broad-based support from Attorney General Kamala Harris and consumer advocates.

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. Assembly Bill 1723 also boasts a bipartisan list of coauthors including San Diego Assemblymembers Rocky Chavez (R-Oceanside), Brian Maienschien (R-San Diego) and Marie Waldron (R-Escondido).

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 Federal Trade Commission's (FTC) "Consumer Sentinel Network Data Book for January – December 2015," California had more identity theft complaints—55,305—than any other state, and nationwide, identity theft has increased more than five-fold during the past 15 years. [1]

Under the Encore-supported legislation, the timeframe of recovery for identity theft victims will be reduced to a matter of weeks. "We hope this legislation will improve the burdensome process for the victims of identity theft as they work to resolve their accounts by creating greater transparency and better guidance," said Sheryl Wright, Encore Capital Group's Senior Vice President of Corporate & Government Affairs.

"We stand beside our consumer-centric principles and practices and are committed to consumer safety and respect," continued Ms. Wright. "This legislation seeks to expedite the process 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.

"Millions of Californians have fallen victim to identity theft, myself included. It's an issue that transcends partisan

politics, and that's why my colleagues in the legislature voiced their unanimous support for this bill," said Assemblymember Dodd. "Victims of identity theft deserve a transparent and speedy resolution process."

"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 better solutions for our consumers, therefore, creating a better life," 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] <https://www.ftc.gov/system/files/documents/reports/consumer-sentinel-network-data-book-january-december-2015/160229csn-2015databook.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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