



We're here
to help!



Americans are in Crisis

National

The coronavirus pandemic has wreaked havoc on the lives and livelihoods of tens of millions of Americans over the last year.

Now as we enter the "K" shaped recovery, MANY are being left behind.

- Wage workers and minorities have borne the brunt of both the health and economic impacts of the pandemic.
- We need the economy and the recovery to deliver for all segments of the population.
- The credit reporting ecosystem needs particular attention due to chronic flaws that also disproportionately affect moderate to low-income Americans and ethnic minorities.



Americans are in Crisis

National

- Every week for the past 12-months, first time unemployment claims have been higher than any week ever recorded before the pandemic and higher than the worst point of the Great Recession.
- The unemployment rate has declined but the Federal Reserve says real unemployment is double the official rate and still higher than the worst of the Great Recession.
- Entire sectors of the economy supporting hundreds of thousands of jobs – like hospitality, travel, and restaurants – will take years to recover if they ever do.

Impact of COVID in Michigan



Local

Michigan workers were hit especially hard by the economic impact of the Coronavirus. The state had the second highest unemployment rate in the US in April 2020 at 22.7% (behind only Nevada).

Michigan unemployment rate has since steadily declined and now sits at 5.7%, but that masks the continuing devastation of the labor force as roughly 270,000 fewer Michigan residents have jobs now than did before the pandemic.

Errors in credit reports in Michigan

- 1 in 5 Americans have material errors on their credit reports, that translates to 40 million of the 200 million Americans that have credit reports have material errors.
- If Michigan residents' credit reports track the national figures, 1.2 million Michigan residents have material errors on their credit reports. There are 110 State House districts in Michigan, meaning each State Representative has roughly 11,000 constituents with a material error on their credit reports.

Credit Repair in Michigan

HOW CREDIT REPAIR ORGANIZATIONS SUPPORT YOUR COMMUNITIES

Initial negative reports in 2020¹

762,094

246,674

Combined total items removed



Removing an inaccurate debt in collection
can raise your credit score by as many as*

↑ 100 points

A 100 point improvement in
your credit score could result
in your paying at least

↓ 0.5%

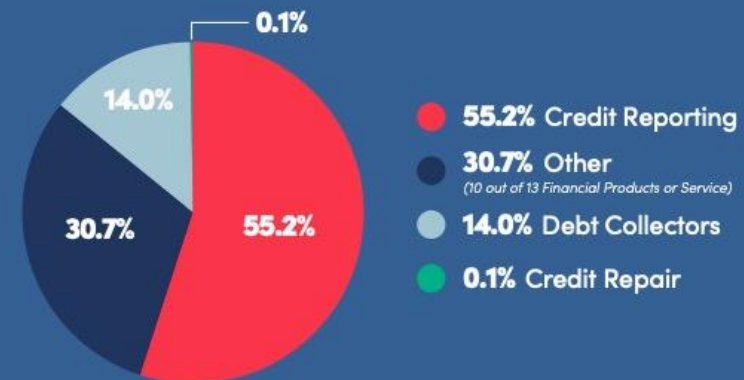
lower rate for a mortgage
if you qualify.*

The median home value in Michigan is
\$152,700.* A 0.5% lower rate on a standard
30-year mortgage would save you

\$12,213

over the life of the loan.*

CFPB COMPLAINTS FROM MICHIGAN IN 2020⁶



Consumers have a **negative experience** buying a car, applying for a mortgage, or a denied a job.



Negative credit experience = turned down or referred to higher interest rates.



They pull their credit report, can't understand what is being reported,
What their rights are in the marketplace,
nor how to navigate the dispute system?!?



Oftentimes when they CAN identify errors/identity theft,
they will attempt to dispute directly with the
Credit Reporting Agencies and see no results.



RESULTING IN NO ACTION AND A FRUSTRATING, TIME-CONSUMING SYSTEM.

Consumer Testimonials



consumer voices

- ▶ *“After I lost my job during the COVID lockdowns, I needed help to get back on my feet again, and the credit repair industry helped me understand my rights and navigate complicated processes.”*
– Sara W., OH

- ▶ *“They helped me 2 different times and both times I worked with them I had a great experience and they're cleaning everything off my name I had now I'm working on building my credit back thank you.”*
– Birdy

- ▶ *“They worked fast, straightened out everything, especially claims on credit reports with my name spelled different ways, updated & corrected issues with creditors. I highly recommend them.”*
– Judith, GA

Debt collectors capitalize on confusing and complex credit reporting system to prey on the most vulnerable in society



Michigan

- In 2019, the FTC obtained 25 separate judgments for [unlawful debt](#) collection practices and secured nearly \$25 million in recovered funds for consumers
- Michigan residents are concerned that debt collectors could seize their desperately needed [stimulus checks](#)
- The National Consumer Law Center [ranks Michigan among the worst](#) states in allowing debt collector to seize virtually everything a debt owns, even the minimal items necessary to provide for themselves and/or their family.
- Michigan recently reached a settlement with American Medical Collection Agency—a medical debtor —over a [data breach](#) that exposed the personal information of 7 million individuals, including 146,000 Michigan residents.



We are fighting for American Consumers

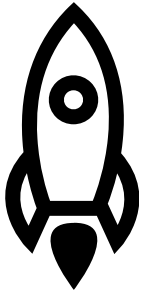
- Credit repair organizations are the only consumer advocates working in the credit system.
- Modern credit repair organizations work on behalf of consumers to ensure the information in their credit reports is accurate and substantiated.

About AACCP

The American Association of Consumer Credit Professionals (AACCP) serves as a unifying voice for the consumer credit reporting advocacy industry in Washington, D.C. and legislatures across the United States.

AACCP members serve as a trusted resource that consumers utilize to understand and navigate the complex credit reporting ecosystem, in which an estimated 1 in 5 credit reports contains an error, whether at the hands of abusive debt collectors, careless record keepers or opportunistic identity thieves.





We help Consumers know their rights and Take Action

- Know the industry and the laws designed to protect consumers
- Understand the circumstances of individual consumers to help them raise relevant questions with creditors and other furnishers of credit report information
- Operate with integrity and maintain a strong focus on compliance with applicable statutes
- Help consumers review, analyze and understand their credit reports in order to identify items that may need to be challenged and, if possible, changed
- Advocate on behalf of consumers to resolve potential issues on their credit report with creditors/furnishers and the Consumer Reporting Agencies (CRAs a/k/a credit bureaus)
- Educate consumers on their credit reports, how to build positive credit, and encourage them to use credit responsibly.

Questions

Liz Shrum

Senior Advisor and Spokesperson, AACCP

liz@aaccp.org



www.aaccp.org