



NEWS FROM SCDCA

SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS
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1.800.922.1594 (toll free in SC)

FOR IMMEDIATE RELEASE

Debt Collection Scammers on the Prowl

Columbia, SC... In the wake of holiday spending and numerous data breaches, the South Carolina Department of Consumer Affairs (SCDCA) is reminding consumers to be on alert for fake debt collectors.

According to data received from credit counselors for 2012, the **13,867** South Carolina consumers seeking debt relief assistance had an **average debt of \$18,065**. In this same time period these organizations paid out more than **\$48.4 million to consumer creditors**.

Additionally, since 2008, more than **7.2 million** South Carolina consumers have received security breach notices, making them particularly vulnerable to various scam attempts. Fake debt collectors can use information gained from a breach to seem more legitimate. Consumers often find it difficult to spot a debt collection scam when the caller has their social security number, date of birth, or mother's maiden name. **SCDCA offers these red flags to help consumers deter debt collection fraudsters:**

- **What Debt?** These scammers will try to collect a debt for a loan the consumer doesn't owe. They also typically refuse to send information in writing about the debt or disclose their mailing address and phone number.
- **Personal Information-** Asking for personal or sensitive information via a phone call, text or e-mail is a tactic used by scammers. Never reply to texts, pop-ups, or e-mails that ask for verification of personal information.
- **High Pressure Tactics-** "You owe \$1,000, but I'll let you settle RIGHT NOW for \$100!" A scammer will use scare tactics to get what they want; including making the "settlement deal" time sensitive. They might also threaten to sue or arrest the consumer.
- **Payment Method-** Asking for payment by wire transfer or pre-paid debit card is a red flag! **These payment options are virtually untraceable.**

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When in doubt of a debt collector's true identity:

- Hang up and contact the company/collector via information from a legitimate source, such as your billing statement or the phone book.
- Ask for written proof of the debt.
- Delinquent accounts often are reported on a consumer's credit reports. Consumers are entitled to a free credit report from each of the three major credit reporting agencies annually. Simply visit www.annualcreditreport.com or by calling 877-322-8228.
- Call SCDCA at 800-922-1594 to check if other consumers have reported receiving similar calls.

For more information on debt collection visit

<http://www.consumer.sc.gov/consumer/publications/Pages/default.aspx#DebtCollection>. To find a listing of licensed credit counselors, visit www.consumer.sc.gov and click "Licensee Lookup." Victims of debt collection scams are also encouraged to contact SCDCA's Identity Theft Unit at 800-922-1594 for assistance.

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SCDCA aims to protect consumers from inequities in the marketplace through advocacy, complaint mediation, enforcement and education. To file a complaint or get information on consumer issues, visit www.consumer.sc.gov or call toll-free, 1.800.922.1594.

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