

CDIA Industry Bulletin

Introduction of New Metro 2[®] Special Comment Code – DS (Debt Settlement)

Audience: Data Furnishers, Credit Reporting Stakeholders, Credit Scoring Organizations

Effective Date: To Be Announced

Reference: Metro 2[®] Format / Credit Reporting Resource Guide[®]

Summary

The Metro 2[®] Task Force has approved the creation of a new Special Comment Code, DS – Debt Settlement, in response to industry requests for clearer identification of consumer debt settlement activity.

Credit risk assessors have noted limited visibility during the period when a consumer is actively participating in a debt settlement program with a for-profit debt settlement company but before the account is reported as paid in full for less than the full balance. During this interim period, a consumer's repayment obligations may be materially altered without visibility through existing reporting.

The DS code is intended to address this gap by enabling identification of an established, verified for-profit debt settlement engagement prior to settlement completion, improving transparency and consistency across credit reporting.

New Special Comment Code

Code: DS – Debt Settlement

The DS Special Comment Code indicates that the furnisher has verified that the consumer has engaged a for-profit debt settlement company to act on the consumer's behalf.

The code applies during periods in which a consumer is actively participating in a for-profit debt settlement program, including periods prior to final settlement, when the consumer is expected to pay a reduced amount, but the account has not yet been reported as settled. This period has



Consumer Data Industry Association
1156 15TH Street NW Ste 1250
Washington, D.C. 20005
P 202 371 0910

CDIAONLINE.ORG

historically only been identifiable once the account is ultimately reported as paid in full for less than the full balance.

Reporting Guidance

- A furnisher has verified that a consumer is actively participating in a for-profit debt settlement program, and
- The participation is expected to materially alter repayment terms, including during periods prior to settlement completion.
- Report the code on all applicable accounts at the same financial institution.

Do not report DS for:

- Debt management plans
- Credit counseling arrangements
- Preliminary inquiries, informal discussions, or speculative negotiations where the consumer has not engaged a for-profit debt settlement company to negotiate directly with the furnisher.

All other fields should continue to be reported in accordance with existing Metro 2[®] Format and CRRG[®] guidance.

CRRG[®] Updates and Additional Information

Consumer Reporting Agencies have initiated internal discussions to support the DS Special Comment Code. An implementation date has not yet been established, but we anticipate that furnishers will be able to start reporting the 'DS' special comment code in Q2 2027.

Additional reporting guidance and timing details will be provided in future communications and published to the Credit Reporting Resource Guide. CDIA will share updates as they become available.

For interim questions, data furnishers should continue to contact their respective CRA representatives.