



For Immediate Release
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ATTORNEY GENERAL MADIGAN REACHES AGREEMENT WITH CHOICEPOINT

Madigan Leads Multi-State Effort that Compels Company to Better Protect Customers

Chicago – Attorney General Lisa Madigan today joined the attorneys general of 43 other states to announce a settlement with ChoicePoint, Inc., to resolve allegations that the company failed to adequately maintain the privacy and security of consumers’ personally identifiable information that was in its control.

ChoicePoint, a Georgia-based company, is a provider of identification and credential verification services to businesses, government and non-profit organizations. Among its business activities, ChoicePoint collects, maintains and distributes consumers’ personally identifiable information. In February 2005, ChoicePoint announced that criminals, posing as legitimate businesses, gained access to consumers’ personally identifiable information. In the wake of these crimes, ChoicePoint mailed more than 145,000 notices to consumers across the country whose information may have been viewed or acquired by the criminals.

Madigan said ChoicePoint will make significant and ongoing changes in the way that it credentials new customers who have access to personally identifiable information. For the first time, the data broker has agreed to safeguard publicly available information using the same credentialing methods as it uses to safeguard financial information that is protected by law. Certain sensitive publicly available information, including Social Security numbers, will now receive greater protection.

“ChoicePoint has agreed to take important steps needed to protect sensitive personal information,” Madigan said. “This settlement calls for stringent requirements that will help to prevent unauthorized access and identity theft.”

As part of the settlement, ChoicePoint will follow newly enacted procedures designed to verify the legitimacy of a customer applying for access to personal information. ChoicePoint will closely evaluate customer applications at a number of different stages before granting access to the information it maintains. These steps will help to ensure that personal information does not fall into the wrong hands.

ChoicePoint will pay \$500,000 to the various states. To help recoup the cost of leading this investigation over a period of two years, Madigan said Illinois will receive \$90,000 as its share of the settlement.

In January 2006, ChoicePoint settled its case with the Federal Trade Commission (FTC) and paid \$5 million into a pool to be used to reimburse eligible consumers. Consumers may file claims pursuant to the FTC Order to recover out-of-pocket expenses for identity theft that resulted from the ChoicePoint breach. If consumers meet the eligibility requirements, they can submit the claim form for consideration. The deadline to submit a claim form to the FTC is June 22, 2007. More information is available at:

<http://www.ftc.gov/bcp/conline/cases/choicepoint/index.shtm>.

Examples of expenses for which consumers may be reimbursed include:

- Unauthorized charges on existing accounts NOT covered by a bank or credit card company;
- Money paid on new accounts opened in consumer's name;
- Money paid to a debt collector on new accounts opened in consumer's name;
- Cost of ordering new checks;
- Cost to file or receive copy of police report;
- Notary fees; and
- Costs associated with correcting unauthorized charges and/or disputing incorrect information through telephone calls, mail, fax, photocopy charges, hourly fees for Internet access and travel expenses.

Joining Illinois in today's settlement are: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin and the District of Columbia.

Consumer Protection Division Chief Deborah Hagan and Assistant Attorney General Christine Nielsen handled the case for Madigan's Consumer Fraud Bureau.

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