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MADIGAN ANNOUNCES CONSUMER TOP 10, FILES DATA SECURITY BILL

Identity Theft Complaints Among Illinoisans' Top Concerns in 2014

Chicago — Attorney General Lisa Madigan today announced her office's annual top 10 consumer complaints for 2014. In the wake of numerous widespread data breaches last year, identity theft ranked as a top concern for Illinois residents. Recognizing the need for greater consumer protections amid increased threats of cyberattacks, Madigan also unveiled a legislative initiative today proposing to strengthen the state's data breach notification law.

"Identity theft has long been a top concern for Illinois residents," Attorney General Madigan said. "But in light of last year's massive data breaches, it is clearer than ever that much more must be done to protect sensitive data while ensuring that people know when their information has been compromised and what they should do to minimize the damage."

Madigan's office received 21,791 complaints in 2014. For the seventh year in a row, consumer debt ranked as the top complaint filed with Madigan's Consumer Protection Division, with 3,655 complaints involving issues such as mortgage lending, abusive debt collection practices and predatory payday loans. Number two on the list for the seventh year is identity theft, with Madigan's office receiving 2,671 complaints.

While identity theft has long been a top complaint to the Attorney General's office, Madigan attributed last year's ranking to the numerous major data breaches reported in 2014, which many have termed "The Year of the Data Breach." Madigan's office is leading multi-state investigations into the data security practices of a number of entities that have suffered breaches, including Target and Neiman Marcus.

To help Illinois residents, Madigan's office has an [Identity Theft Unit and Hotline](#) (1-866-999-5630), run by a team of experts who provide one-on-one assistance to victims of identity theft and data breaches. Since the creation of the hotline, the Attorney General's office has helped remove more than \$27 million worth of fraudulent charges on over 37,000 Illinois consumers' accounts.

Madigan also has testified before the U.S. Senate and the U.S. House of Representatives in recent years to stress the urgent need for stronger laws to address the epidemic of data breaches nationwide, including [her testimony last month on Capitol Hill about the importance of strong data notification laws](#) both at the federal and state levels.

In Illinois, Madigan recently drafted legislation to strengthen the state's Personal Information Protection Act (PIPA). Originally passed in 2005 at Attorney General Madigan's direction, PIPA made Illinois among the first states in the country to require entities that suffer a data breach to notify Illinois residents if the breached information included residents' drivers' license numbers, social security numbers, or financial account information. Since the law's enactment, the extent of sensitive information collected about consumers has expanded and the threat of data breaches has increased significantly, necessitating the need to update and strengthen the state's law.

Madigan's bill, which is sponsored by Sen. Daniel Biss and Rep. Ann Williams, will expand the type of information that requires a company to notify consumers of a breach, including medical information outside of federal privacy laws, biometric data, geolocation information, sensitive consumer marketing data, contact information when combined with identifying information, and login credentials for online accounts. The bill also requires entities holding sensitive information to take "reasonable" steps to protect the information and requires entities to notify the Attorney General's office when breaches occur. Madigan said her office would create a website that lists every data breach that affects Illinois to increase awareness among residents.

"The number, scale and scope of data breaches over the past year is alarming. The protections in place for consumers are insufficient and the response from companies collecting and storing our personal information has been unacceptable," said Abe Scarr, Director of Illinois PIRG. "That is why we are endorsing this much needed legislation."

Top 10 Breakdown

Madigan's annual top 10 list of consumer complaints ranks every complaint her office receives on a range of topics, including complaints about mortgage lending, debt collection, credit cards and common consumer scams.

In total, Madigan's Consumer Fraud Bureau achieved about \$7.7 million savings for Illinois consumers in 2014. In addition to consumer debt and identity theft complaints, Madigan noted other categories that topped her list of complaints involved telecommunications and home repair:

For more information, visit Madigan's website or contact her office about issues ranging from home foreclosure to identity theft:

CATEGORY	# OF COMPLAINTS
1. Consumer Debt (mortgage lending, debt collections, credit cards)	3,655
2. Identity Theft (fraudulent credit cards and utility accounts, bank fraud)	2,617
3. Telecommunications (wireless service, local phone service, cable/satellite)	2,162
4. Construction/Home Improvement (remodeling, roofs/gutters)	1,900
5. Motor Vehicles/Used Auto Sales (as-is sales, financing, warranties)	1,305
6. Promotions & Schemes (sweepstakes, pyramid, work-at home scams)	1,199
7. Mail Order (Internet purchases, catalog ordering, television/radio)	868
8. Fraud Against Business (consulting, directories/publications)	762
9. Motor Vehicle/Non-Warranty Repair (collision/body, engines)	608
10. Utilities (electric, natural gas/propane, water/sewer, waste removal)	566

Consumer Fraud Hotlines:

1-800-386-5438 (Chicago), 1-800-243-0618 (Springfield) or
1-800-243-0607 (Carbondale)

Spanish Language Hotline: 1-866-310-8398

Identity Theft Hotline: 1-866-999-5630

Homeowner Helpline: 1-866-544-7151

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