



May 20, 2015

MADIGAN ANNOUNCES \$6 MILLION SETTLEMENT WITH CREDIT REPORTING AGENCIES***Settlement Implements Significant Changes at Equifax, Experian & TransUnion***

Chicago — Attorney General Lisa Madigan today announced a \$6 million settlement with the three national credit reporting agencies – Equifax Information Services LLC, Experian Information Solutions Inc. and TransUnion LLC – that will increase transparency and accuracy of credit reports to benefit consumers.

Madigan and attorneys general from 30 other states reached the settlement that will require the credit reporting agencies to implement numerous changes, including providing better protections for consumers who find errors on their credit reports, limiting when medical debts can be placed on a consumer's credit report and establishing specific protocols for victims of identity theft who find fraudulent accounts and debts in their name.

The settlement is enforceable in court pursuant to the Consumer Fraud and Deceptive Business Practices Act. The settlement is the result of a multistate investigation by Madigan and the other attorneys general over concerns with how the credit reporting agencies compile and maintain consumer data, and how they investigate and handle consumer disputes. The investigation focused on how the credit reporting agencies investigate consumer disputes about errors on credit reports, monitor and discipline providers of credit reporting information known as data furnishers, maintain accurate consumer information and market credit monitoring products to consumers who call the credit reporting agencies to dispute information on their credit report.

The settlement requires credit reporting agencies to hold data furnishers to higher standards, to limit direct-to-consumer marketing, to provide greater protections for consumers who dispute information on their credit reports, to limit certain information that can be added to a credit report, to provide additional consumer education and to comply with state and federal laws, including the Fair Credit Reporting Act. Specific provisions of the settlement are detailed below.

Holding data furnishers to higher standards:

- Provides an escalated process for handling complicated disputes, such as those involving identity theft, fraud or mixed files, which is when one consumer's information is mixed with another.
- Requires each credit reporting agency to notify the other agencies if it finds a mixed file.
- Requires the credit reporting agencies to send a consumer's supporting documents to the data furnisher.
- Allows consumers to obtain one additional free credit report in a 12-month period if they dispute information on their credit report and a change is made to the report as a result of the dispute.

Limiting certain information that can be added to a consumer's credit report:

- Generally prohibits fines and tickets from being added to credit reports.
- Requires that medical debt cannot be placed on a credit report until 180 days after the account is reported to the credit reporting agency to allow consumers time to work out issues with their insurance companies.
- Requires debt collectors to provide the original creditor's name and information about the debt in order for the debt information to be added to a credit report.

Requiring additional consumer education:

- Requires credit reporting agencies to tell consumers how they can further report problems about the outcome of an investigation into a dispute, such as filing a complaint with other agencies.
- Requires the website www.annualcreditreport.com to contain links to each credit reporting agency's dispute website and prohibits ads from appearing on that site.

Joining Madigan in announcing today's settlement were the attorneys general from the following states: Alabama, Alaska, Arizona, Arkansas, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, and Wisconsin.

Assistant Attorney General Paul Isaac handled the case for Madigan's Consumer Fraud Bureau.

-30-

[Return to May 2015 Press Releases](#)

