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ATTORNEY GENERAL MADIGAN APPLAUDS HOUSE PASSAGE OF LEGISLATION TO MAKE CREDIT FREEZES FREE TO CONSUMERS

Madigan Calls on Senate to Pass Legislation to Prevent Consumer Reporting Agencies From Charging Fees to Guard Against Identity Theft

Chicago — Attorney General Lisa Madigan today applauded the Illinois House for passing legislation to prohibit credit reporting agencies from charging consumers fees to put a credit freeze on their accounts.

Following the massive data breach at credit reporting agency Equifax, the Attorney General initiated House Bill 4095, sponsored by state Rep. Greg Harris, to eliminate credit freeze fees in Illinois. Seven states already ban or restrict these fees by the credit reporting agencies Equifax, Experian and TransUnion. The legislation passed unanimously by a vote of 109-0 out of the House and will now be considered by the Senate.

"Unfortunately it is no longer a matter of if but when you will be a victim of identity theft," Madigan said. "One of the best ways for people to protect themselves from identity theft is to place a credit freeze on their reports. People should not have to pay for this vital service especially after the massive Equifax breach."

"Consumers trusted credit reporting agencies to protect sensitive, personal information, and yet we learned with Equifax that those agencies are not impervious to data breaches," Harris said. "Whether you are one of the more than 5 million Illinoisans affected or someone who wants to proactively protect your information through a credit freeze, you should not have to pay a fee for doing so."

The Equifax breach reported last month has so far impacted over 145 million Americans and more than 5.4 million Illinois residents. Currently in Illinois, consumers are charged \$10 a piece to place a credit freeze with each of the three major credit reporting agencies, unless they are over 65 years of age, an active duty service member or an identity theft victim with a police report. Madigan's legislation would prohibit credit reporting agencies from charging a fee for a credit freeze as well as for the removal or temporary lift of a credit freeze.

In light of the Equifax breach, some of the credit reporting agencies began offering a credit lock, which is similar to a credit freeze. In some cases, the companies also charge a monthly fee for the lock and combine it with other services, such as credit monitoring. In other cases, the agencies offer a credit lock free of charge, but the terms and conditions indicate that consumers' information will be shared with affiliates and third party marketers. Madigan said those conditions are unacceptable because the goal for consumers is to secure their data – not distribute it any further. Consumers should be able to receive the credit freezes provided for by law without fees and without being subjected to marketing from unknown third parties.

In addition to placing a credit freeze on all of your credit reports, Madigan offered the following tips consumers can take to safeguard against identity theft:

- Regularly request your free credit reports, inspect them closely, and promptly dispute any unauthorized accounts;
- Inspect all financial account statements closely and promptly dispute any unauthorized charges;
- Consider placing alerts on your financial accounts so your financial institution alerts you when money above a pre-designated amount is withdrawn;
- Beware of potential phishing emails; don't open any email messages or attachments from unknown senders and do not click on any unknown links. Fraudsters will frequently send coercive and misleading emails threatening account suspension or worse if sensitive information is not provided. Remember, businesses will never ask customers to verify account information via email. If in doubt, contact the business in question directly for verification and to report phishing emails; and

- Be on the lookout for spoofed email addresses. Spoofed email addresses are those that make minor changes in the domain name, frequently changing the letter O to the number zero, or the lowercase letter L to the number one. Scrutinize all incoming email addresses to ensure that the sender is truly legitimate.

Madigan is leading a multistate investigation of the Equifax breach to address the consumer harm, take steps to help prevent such financial disasters in the future and hold Equifax accountable. Earlier this month, Madigan joined with 37 other attorneys general to urge credit reporting agencies Experian and TransUnion to immediately stop charging fees to consumers who want to put a credit freeze on their accounts.

Madigan encourages people to contact her Identity Theft Hotline at 1 (866) 999-5630 or to review the Identity Theft resources on her [website](#). The hotline is staffed with identity theft experts who can help victims report the crime to local law enforcement and financial institutions, work to repair their credit and prevent future theft. Hotline operators can also assist callers who want to take proactive steps to prevent their personal information from being stolen. Since February 2006, the Attorney General's Identity Theft Unit has assisted Illinois consumers in removing over \$29 million in fraudulent charges resulting from identity theft.

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