



Press Releases

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ATTORNEY GENERAL MADIGAN APPLAUDS SENATE PASSAGE OF BILL TO MAKE CREDIT FREEZES FREE TO CONSUMERS

Madigan Urges Governor to Sign Legislation to Prevent Consumer Reporting Agencies From Charging Credit Freeze Fees to Guard Against Identity Theft

Chicago — Attorney General Lisa Madigan today applauded the Senate for passing legislation to prohibit credit reporting agencies from charging fees to put in place credit freezes to protect consumers from identity theft.

Following the massive data breach at credit reporting agency Equifax, the Attorney General initiated House Bill 4095, sponsored by Sen. Bill Cunningham, to eliminate credit freeze fees in Illinois. Senators unanimously passed the legislation, and the bill will be sent to the governor. Many states already ban or restrict these fees by the credit reporting agencies Equifax, Experian and TransUnion.

"Companies that collect our personal and financial information and fail to protect it from cybercriminals should have to pay for credit freezes in the aftermath of a breach," Madigan said. "It's common sense to require companies that hold our information to help people take the most important step to prevent identity theft and freeze their credit."

"Unfortunately it is no longer a matter of 'if' you become a victim of identity theft, but 'when' you become a victim of identity theft, and when one of the best ways to protect yourself is a credit freeze, fees should not stand in the way," Cunningham said. "I urge the governor to quickly sign this bill to eliminate fees for consumers who want to place a freeze on their credit."

The 2017 Equifax breach has impacted over 145 million Americans and more than 5.4 million Illinois residents. At the end of February, Equifax released information that an additional 2.4 million Americans were impacted by the breach. Currently in Illinois, consumers are charged \$10 each time they want 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 or for the removal or temporary lift of a credit freeze.

A credit freeze, or security freeze, is a method of restricting access to your credit reports, which makes it more difficult for thieves to open new accounts in your name. A credit freeze is the best way of protecting against identity theft because it prevents third parties from accessing your credit report without express prior authorization. You can request a credit freeze by contacting the three credit reporting agencies – Equifax, Experian and TransUnion – and providing personal information such as a date of birth and Social Security number. Once a credit freeze has been enacted, you will receive a secret PIN, and potential credit granters cannot see your credit report unless you provide them with the PIN.

In addition to placing a credit freeze on all of your credit reports, Madigan offered the following tips consumers should 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 designed to fool consumers into thinking the email is from a reputable source. Creators of spoofed email addresses 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. You should 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.

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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