



Tip of the Month – February 2014

Helping Victims of Identity Theft

Submitted by Margaret Henehan¹
Judge Nancy C. Dreher Fellow

In 2012, there were 12.6 million new victims of identity theft in the United States—about 1 in 20 consumers. Anyone can be a victim, but certain groups are often more adversely affected because they have access to fewer resources with which to take action for protection.

Individuals must be vigilant in opening their mail, keeping track of finances and monitoring their credit cards. Fifty percent of consumers found the fraud themselves by monitoring their bank statements, and credit scores instead of being notified of the fraud by a bank or card issuer.

If a client seeking advice from you has been a victim of identity theft, there are four steps they should consider taking. Not all victims will need to take all four steps.

First, contact credit reporting agencies.

1. Obtain credit report

Everyone is eligible to receive one free report from each of the three major credit reporting agencies once every 12 months by visiting www.annualcreditreport.com or calling (877) 322-8228.

Instead of requesting all three reports at one time each year, space out requests every four months. Each report will have slightly different reporting information, so it's important to request each report. The three major credit reporting agencies are:

- a. Equifax: 800-525-6285, www.equifax.com
- b. Experian: 888-397-3742, www.experian.com
- c. TransUnion: 800-680-7289, www.tuc.com

2. Review credit report

- a. Look for indicators of identity theft: accounts client didn't open, activity on dormant accounts, erroneous personal information, or credit inquiries from companies client didn't contact.
- b. Get fraudulent or inaccurate information removed by writing to both the credit bureaus and the credit issuers following the instructions provided in the credit report.

3. Place a fraud alert on credit reports by contacting **one** credit reporting agency, which will alert the other two. The fraud alert will ensure that the lender takes additional steps to verify that the client has authorized the additional credit line, credit limit etc.

- a. There are two different types of fraud alert: **initial**, which is good for 90 days and renewable, and **extended**, which is good for 7 years. In order to qualify for an extended alert, client must have filed an identity theft report (see step three). A fraud alert can be canceled at any time.

¹ Revision of July 2009 Tip of the Month by Erin Soldner

- b. Consider a credit freeze, which prohibits the agencies from releasing credit reports or scores without consumer authorization.

Second, contact the fraud department of companies where the identity thief has committed fraud

1. Ask a fraud investigator to close the accounts that have been tampered with or opened fraudulently, and request a closure letter.
2. Ask for thief's application and transaction records.
3. Send written dispute including an identity theft affidavit (see below).
4. If collection agencies are involved, contact them: request the amount of debt and the creditor's contact information, and dispute the debt.

Third, file an identity theft report with the Federal Trade Commission

1. Submit a report using the FTC's online form: <https://www.ftccomplaintassistant.gov> or by calling 1-877-438-4338.
2. Save the complaint reference number.
3. Whether the client submits a fraud report online or by phone an "Identity Theft Affidavit" will be created from the information provided.
 - a. If submitted online, print the Identity Theft Affidavit that will be available at the end of the report.
 - b. If submitted over the phone, a representative will provide a password and email a link to print the affidavit.

Fourth, file a police report with local police department or with the police in the community where the identity theft took place. Minnesota law requires police to write reports for identity theft victims. (Minn. Stat. §609.527, subd. 5)

1. Request an appointment for an in-person report filing.
 - a. Bring to the appointment:
 - i. A copy of the FTC Identity Theft Affidavit
 - ii. Any other proof of the theft
 - iii. A government issued photo ID
 - iv. Proof of address (lease agreement, utility bills, pay stubs)
2. Request a copy of the official police report.
3. Attach the Identity Theft Affidavit to the police report in order to create the "Identity Theft Report". Keep a complete copy.
 - a. Request an extended alert on client's credit report.
 - b. The report can also help to get fraudulent information permanently removed from credit report and prevent a company from collecting a fraudulent debt.

Minnesota Statutes:

Minn. Stat. §13C.016 (Consumer Security Freeze)
Minn. Stat. §609.527 (Identity Theft)

Federal Statutes:

15 U.S.C. §1601 (Fair and Accurate Credit Transactions Act, Fair Credit Billing Act)
15 U.S.C. §1681 (Fair Credit Reporting Act)
18 U.S.C. §1028 (Identity Theft Penalty Enhancement Act)
18 U.S.C. §1028 (Identity Theft & Assumption Deterrence Act)