

New Law Provides Tools for Protecting Credit Information

One of the best ways to protect your identity is to protect the information contained in your credit reports. A new Federal law goes into effect on September 21, 2018, that enhances credit freeze and fraud alert protections.

Free Credit Freezes

Most creditors (and retailers who extend credit) review your credit reports before approving loans or extending credit. By freezing your credit reports, creditors can't review them and consequently, won't approve credit applications submitted by you or, more importantly, identity thieves.

In the past, credit reporting companies charged fees to freeze and unfreeze your reports. Under the new law, credit freeze services must be offered for free. Once frozen, you will need to unfreeze your reports each time you apply for new credit. You do this by using the PIN you get when you request a credit freeze.

You must contact each credit reporting company (Equifax, Experian and Transunion) directly to place a freeze. Under the new law, each credit bureau must set up a webpage for requesting fraud alerts and credit freezes.

- Equifax: www.equifax.com; or call 1-800-685-1111
- Experian: www.experian.com; or call 1-888-397-3742
- Transunion: www.transunion.com; or call 1-888-909-8872

While the companies must provide free credit freezes, they may charge for other services, like credit monitoring. Make sure you sign up for only the service you want.

Extended Fraud Alerts

Fraud alerts are another tool that can be used to help fight identity theft. When you place a fraud alert on your credit reports, creditors must try to verify your identity before extending new credit. This usually means calling you to check if you are the person who is attempting to get credit.

When you request a fraud alert with one credit reporting company, that company must notify the others of the request. Fraud alerts are free but are time-limited. The new law extends the duration of fraud alerts from 90 days to one year.

While fraud alerts provide some protection, credit freezes give you greater control over your credit information.

For more information on this and other consumer topics, or to get this factsheet in an alternate format contact the Office of Consumer Protection at: 410-313-6420 or consumer@howardcountymd.gov.