



Economic Growth, Regulatory Relief, and Consumer Protection Act

Contact: Travis Mountain, Assistant Professor, Agricultural and Applied Economics, Virginia Tech

- Starting Friday (9/21/18) consumers will be able to freeze their credit files for free at each of the three main credit reporting agencies. Currently this would cost \$10 per credit reporting agency (Transunion, Equifax, Experian) for VA residents. If you were a victim of identity theft, you were already able to do this for free. If you are going to put a freeze on your credit, you want to do this for all three of the major credit reporting agencies. Only choosing one or two of the three serves little to no purpose.
 - TransUnion credit freeze options:
 - Online: <https://www.transunion.com/credit-freeze>
 - By phone: 1-888-909-8872
 - By mail: Transunion LLC
P.O. Box 2000
Chester, PA 19016
 - Equifax credit freeze options:
 - Online: https://www.freeze.equifax.com/Freeze/jsp/SFF_PersonalIDInfo.jsp
 - By phone: 1-800-685-1111
 - By mail: Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348
 - Experian credit freeze options:
 - Online: <https://www.experian.com/ncaonline/freeze>
 - By phone: 1-888-397-3742
 - By mail: Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

Audio Resources related to credit freezes and the Economic Growth, Regulatory Relief, and Consumer Protection Act

- Here is a radio interview conducted 9/17/18 on NewsRadio WINA Charlottesville on this topic: <https://soundcloud.com/1070wina/m-new-legislation-simplifies-safeguarding-your-financial-history-travis-mountain>.
- Here is a write-up and short video produced by Virginia Tech with similar information: <https://vtnews.vt.edu/articles/2018/09/creditlegislation-unirel.html>

Credit Freeze Questions and Answers

- What's the significance of this new legislation, allowing for free credit freezes?
 - Two factors – one to raise awareness for consumers that they can freeze their credit file. Many consumers may have first heard of a credit freeze when news broke regarding the Equifax data breach September 2017 that affected 140 million American consumers
 - Two, is starting this Friday, September 21st, consumers can freeze each of their credit files from the three major credit reporting agencies (Equifax, Experian, and Transunion) for free. Prior to Friday, this would cost you \$10 per credit reporting agency, for \$30 total.
- Talk about the ways in which freezing your credit file protects you as a consumer.
 - The purpose of the credit freeze is to prevent a would be fraudulent actor from taking out a new line of credit in your name. For example, let's say your information was exposed in a data breach, and someone has your name, address, and social security number. This person could attempt to open a new line of credit in your name, but would be unable to do so if you have a freeze on your credit file. The freeze basically prevents that financial institution from looking at your credit report, which they must do prior to extending you new credit.
- Is the process of requesting a freeze easy and painless?
 - You can do this online, by phone, and by mail. Each of the three credit reporting agencies have dedicated webpages and 1800 numbers where you can freeze your file. I suspect that hold times may be long starting 9/21 but should dissipate. If you are going to freeze your credit file, you want to freeze all three.
- Is there any downside to freezing your credit file?
 - The downside is there is a bit of an inconvenience when you decide you want to open up a new line of credit. For example, if you have a credit freeze and you want to take out a new mortgage, you will want to contact your financial institution and ask them when they will pull your credit reports and from which credit reporting agencies. For a mortgage, they will likely want to look at all three of the major credit reporting agencies, but for a credit card they may only look at one or two. You will then want to unfreeze your credit file for any credit reporting agency your financial institution needs to look at. You can do that by calling the 1800 number, online, or via mail. You will need to provide a pin that was given to you when you froze your file, and indicate how long you want the file to be unfrozen.
- What else is important to know about this new consumer protection?
 - 15.4 million Americans were victims of identity theft in 2016 and over 140 million individuals had their data exposed in the Equifax data breach alone in 2017. Certainly, look into freezing your credit if you haven't already. There is a bit of an inconvenience when you need to unfreeze your credit when you want to take out a new line of credit, but this inconvenience is minute when compared to trying to fix your credit if there is fraudulent activity on your credit file. Also, everyone should be checking their credit report, which they can do for free at annualcreditreport.com once per year from each of the three major credit reporting agencies.

Additional Resources

- Here is a short outline of the free credit freeze change from the federal trade commission followed by brief commentary by Travis Mountain: <https://www.consumer.ftc.gov/blog/2018/06/free-credit-freezes-are-coming-soon-0>
 - In addition to credit freezes, consumers are able to put fraud alerts on their credits files that will last 12 months starting 9/21/18 (prior to 9/21/18 it would last 90 days). A fraud alert isn't as secure as a credit freeze – it requires identity verification prior to opening a new line of credit. Here is a FTC link outlining the differences: <https://www.ftc.gov/news-events/blogs/business-blog/2017/09/fraud-alerts-vs-credit-freezes-ftc-faqs>
 - Have children? You will also be able freeze any of your children's (under age 16) credit for free. 16+ would need to freeze their own files. Here is a source for freezing child's credit files: <https://www.nerdwallet.com/blog/finance/child-identity-theft/>
- Here is a the VA attorney general website on credit freezes https://www.oag.state.va.us/consumer-protection/index.php?option=com_content&view=article&id=151
- Here is a federal trade commission website on credit freezes: <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>