



Consumer Federation of America



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September 20, 2007

Richard F. Smith  
Chairman and CEO  
Equifax  
1550 Peachtree St. NW  
Atlanta, GA 30309

Re: Provide an Easy to Use, Low Cost Security Freeze for All U.S. Consumers

Dear Mr. Smith,

TransUnion announced on September 18, 2007, that starting October 15, 2007, it will make the security freeze available to U.S. consumers nationwide, including those consumers who reside in states which do not yet provide the right to place a security freeze by statute.

As you know, the security freeze gives consumers a powerful tool to protect themselves from one form of identity theft by stopping the opening of new accounts for which a credit check is required, unless the consumer has lifted the security freeze using a PIN. For a security freeze to be effective to stop new account identity theft, it must be in place at each of the major consumer reporting agencies. The consumer has no control over which consumer reporting agency is used by the creditor or other entity who has been approached by a thief, making it essential that the consumer be able to maintain a freeze at all of the major consumer reporting agencies.

We call on Equifax to match and improve upon TransUnion's announcement by making access to the security freeze available to all U.S. consumers in a manner which is easy to place and lift and is low in cost. TransUnion has announced that it will permit all U.S. consumers to utilize the freeze at no more than \$10 to place, lift, and remove, and no fees for victims of ID theft.

We call on Equifax to offer every consumer what the best state security freeze laws provide:

- The security freeze for all consumers;
- No fee to place, temporarily lift or remove the freeze for identity theft victims;

- A fee of no more than the lower of the state law cap, or \$5 to place or lift the freeze for non-victims and no fee to remove the freeze;
- Provide multiple methods of placement, including regular mail, phone and a secure electronic method at the option of the consumer; and
- Provide for a 15-minute temporary lift timeframe.

In addition, the freeze should be available to consumers without the purchase of a bundled product, and information about how to place the freeze should be prominently displayed and easily accessible through your website and customer service phone line, so that consumers may become well-educated about this choice.

Ten state laws restrict fees to place, lift, or both at a fee significantly lower than \$10. In light of the fact that a significant number of U.S. consumers already, or soon will, enjoy fees at or below \$5, we believe that the freeze should be made available to consumers nationwide at a fee that does not exceed the lesser of the state cap or \$5 to place and lift, with no fee to remove.<sup>1</sup>

We also call upon you to ensure that the freeze is easy to place and to lift. According to TransUnion, it will accept placement by regular mail and lifting by both mail and phone. We ask you to match this and to improve upon it by permitting placement by phone and by offering every consumer nationwide, placement and lifting by one or more secure electronic methods as soon as you must offer this for consumers in any state. You are already required by law to accept placement requests by phone for consumers in Minnesota and North Dakota – we believe that consumers in other states should receive this same level of convenience. You also are already required to have a method to lift by phone for Texas consumers to use.

Finally, the security freeze will be most convenient for both consumers and businesses when it can be lifted promptly after the consumer supplies the proper PIN. You are already required by law to provide a secure electronic method with a 15 minute lift to consumers in Tennessee, Utah, the District of Columbia, Washington and Wyoming by September 1, 2008, and to consumers in Delaware, Maryland, Montana and Nebraska starting January 31, 2009. We ask that you provide the electronic 15 minute lift option to all U.S. consumers as quickly as you have the technological capacity to do so.

Each of the three major credit reporting agencies should offer a security freeze to each consumer which is fast, low cost, and easy for consumers to place and use. The TransUnion announcement is a key step forward toward that end. We ask you to

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<sup>1</sup> For example, Indiana consumers enjoy the freeze without fees to place, lift or remove, and Montana caps the fee at \$3 for placement and lifting with no fee to remove. Minnesota, Massachusetts, Maryland and West Virginia restrict the fee to \$5 to place, lift and remove the freeze, while North Dakota's law permits a \$5 fee to place or lift and no fee to remove. New York and New Jersey laws restrict lift fees to \$5, with no fee to place. Tennessee has a \$7.50 placement fee, a \$5 removal fee and no fee for temporary lifting. Other states make the freeze free of fees for seniors over 65, (Oklahoma, Illinois and Rhode Island), or 62 (Louisiana).

match and to exceed that program by providing all U.S. consumers with immediate access to a low cost, easy to place and use security freeze through Equifax.

Very truly yours,

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