

CAROLYN B. MALONEY  
14TH DISTRICT, NEW YORK

2331 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-3214  
(202) 225-7944

COMMITTEES:  
FINANCIAL SERVICES

GOVERNMENT REFORM

JOINT ECONOMIC COMMITTEE



# Congress of the United States

## House of Representatives

Washington, DC 20515-3214

October 31, 2007

DISTRICT OFFICES:

1651 THIRD AVENUE  
SUITE 311  
NEW YORK, NY 10128  
(212) 860-0606

28-11 ASTORIA BOULEVARD  
ASTORIA, NY 11102  
(718) 932-1804

WEBSITE: [www.house.gov/maloney](http://www.house.gov/maloney)

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

Dear Mr. Smith:

I applaud your recent decision to make the security freeze available to all consumers regardless of whether they reside in states that have enacted legislation providing the security freeze. As of tomorrow, consumers throughout the country will be able to freeze access to their credit files at all three credit bureaus, giving them a powerful new tool to protect themselves from the most costly and difficult-to-resolve form of ID theft—new account fraud. The freeze is the only tool available that actually helps prevent new account fraud; many other available services merely allow the consumer to detect the fraud after it has already occurred.

While your decision is a strong step forward for consumers, I urge you to enhance the feasibility of the freeze by making it easier-to-use and more affordable for consumers. In addition, it is essential that consumers be able to locate easily information about the freeze on your web site. High costs, cumbersome procedures, and obscured information erect unnecessary barriers to consumers who are eager to freeze their files.

First, I urge you to consider reducing the costs of placing, temporarily lifting and removing the freeze. At \$10 per consumer per credit bureau, a two-earner family that places the freeze and lifts it just twice in a given year to access joint credit would pay \$180, putting the freeze out of reach for many households. Eliminating the costs of temporarily lifting or removing the freeze would encourage more consumers to place the freeze.

Second, I urge you to consider eliminating the administrative hurdles to placing and lifting the freeze. Placement by certified mail creates a barrier to consumers' use of the freeze by requiring them to not only make a trip to the post office but also to incur additional expense without any added security benefit. Providing multiple methods of placement, including regular mail, phone or a secure electronic method would make it easier for consumers to place the freeze, reducing barriers to its use. In addition, allowing consumers to lift the freeze within 15 minutes of an electronic or phone request would reduce consumer concerns that they will be unable to quickly access credit if they place a freeze, encouraging more consumers to use this powerful new ID theft prevention tool. Finally, I encourage you to work with the other credit bureaus to provide one-stop-shopping for placement of the freeze so that consumers need not make three separate requests in order to place and lift the freeze.

Third, I encourage you to make it easier for consumers to find clear and concise information about the freeze on your website. Prominently displaying on your homepage a link to

information about the security freeze and how to use it would give consumers access to freeze information without first having to navigate through the different pages of Equifax's website.

While Equifax currently provides information about the freeze on its site, it is difficult for consumers to locate. In addition, if, in the future, Equifax includes the freeze as part of a larger bundle of credit monitoring or other services in the future, I urge you to ensure that marketing information prominently discloses that the freeze is also available as a standalone product.

Again, I applaud your efforts to make the security freeze available to consumers throughout the country. It is an excellent first step in giving consumers a powerful new identity theft prevention tool. I look forward to working with you to make the security freeze more affordable and accessible for consumers.

Sincerely,

  
CAROLYN B. MALONEY  
Member of Congress

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Donald A. Robert  
Chief Executive Officer  
Experian  
475 Anton Blvd.  
Costa Mesa, CA 92626

Dear Mr. Robert:

I applaud your recent decision to make the security freeze available to all consumers regardless of whether they reside in states that have enacted legislation providing the security freeze. As of tomorrow, consumers throughout the country will be able to freeze access to their credit files at all three credit bureaus, giving them a powerful new tool to protect themselves from the most costly and difficult-to-resolve form of ID theft—new account fraud. The freeze is the only tool available that actually helps prevent new account fraud; many other available services merely allow the consumer to detect the fraud after it has already occurred.

While your decision is a strong step forward for consumers, I urge you to enhance the feasibility of the freeze by making it easier-to-use and more affordable for consumers. In addition, it is essential that consumers be able to locate easily information about the freeze on your web site. High costs, cumbersome procedures, and obscured information erect unnecessary barriers to consumers who are eager to freeze their files.

First, I urge you to consider reducing the costs of placing, temporarily lifting and removing the freeze. At \$10 per consumer per credit bureau, a two-earner family that places the freeze and lifts it just twice in a given year to access joint credit would pay \$180, putting the freeze out of reach for many households. Eliminating the costs of temporarily lifting or removing the freeze would encourage more consumers to place the freeze.


Second, I urge you to consider eliminating the administrative hurdles to placing and lifting the freeze. Experian is to be commended for voluntarily making a lift effective within 15 minutes of an electronic or phone request; doing so reduces consumer concerns that they will be unable to quickly access credit if they place a freeze, encouraging more consumers to use this powerful new ID theft prevention tool. I have encouraged Equifax and TransUnion to follow your lead. While I applaud Experian for allowing consumers to place the freeze via regular rather than certified mail, providing multiple methods of placement, such as phone or a secure electronic method would make it easier for consumers to place the freeze. Finally, I encourage you to work with the other credit bureaus to provide one-stop-shopping for placement of the freeze so that consumers need not make three separate requests in order to place and lift the freeze.

Third, I encourage you to make it easier for consumers to find clear and concise information about the freeze on your website. Prominently displaying on your homepage a link to information about the security freeze and how to use it would give consumers access to freeze information without first having to navigate through the different pages of Experian's website.

While Experian currently provides information about the freeze on its site, it is difficult for consumers to locate. And because Experian is marketing its own branded security freeze tool as part of its larger package of credit monitoring products, it is essential that Experian prominently disclose that the freeze is also available as a standalone product at lower cost. While confusion over whether the freeze is available on its own is a concern for all consumers, it is particularly worrisome for consumers who reside in states that provide the freeze right by law, but who are unaware of that right. They may be led to believe that the freeze is only available through the costly bundle.

Again, I applaud your efforts to make the security freeze available to consumers throughout the country. It is an excellent first step in giving consumers a powerful new identity theft prevention tool. I look forward to working with you to make the security freeze more affordable and accessible for consumers.

Sincerely,

  
CAROLYN B. MALONEY  
Member of Congress

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WEBSITE: [www.house.gov/maloney](http://www.house.gov/maloney)

Harry C. Gambill  
Chief Executive Officer  
TransUnion  
555 W. Adams St.  
Chicago, IL 60661-3614

Dear Mr. Gambill:

I applaud your recent decision to make the security freeze available to all consumers regardless of whether they reside in states that have enacted legislation providing the security freeze. In particular, I want to applaud TransUnion for its leadership as the first credit bureau to voluntarily offer the freeze. As of tomorrow, consumers throughout the country will be able to freeze access to their credit files at all three credit bureaus, giving them a powerful new tool to protect themselves from the most costly and difficult-to-resolve form of ID theft—new account fraud. The freeze is the only tool available that actually helps prevent new account fraud; many other available services merely allow the consumer to detect the fraud after it has already occurred.

While your decision is a strong step forward for consumers, I urge you to enhance the feasibility of the freeze by making it easier-to-use and more affordable for consumers. In addition, it is essential that consumers be able to locate easily information about the freeze on your web site. High costs, cumbersome procedures, and obscured information erect unnecessary barriers to consumers who are eager to freeze their files.

First, I urge you to consider reducing the costs of placing, temporarily lifting and removing the freeze. At \$10 per consumer per credit bureau, a two-earner family that places the freeze and lifts it just twice in a given year to access joint credit would pay \$180, putting the freeze out of reach for many households. Eliminating the costs of temporarily lifting or removing the freeze would encourage more consumers to place the freeze.

Second, I urge you to consider eliminating the administrative hurdles to placing and lifting the freeze. While I applaud TransUnion for allowing consumers to place the freeze via regular rather than certified mail, providing multiple methods of placement, such as phone or a secure electronic method would make it easier for consumers to place the freeze. In addition, allowing consumers to lift the freeze within 15 minutes of an electronic or phone request would reduce consumer concerns that they will be unable to quickly access credit if they place a freeze, encouraging more consumers to use this powerful new ID theft prevention tool. Finally, I encourage you to work with the other credit bureaus to provide one-stop-shopping for placement of the freeze so that consumers need not make three separate requests in order to place and lift the freeze.

Third, I encourage you to make it easier for consumers to find clear and concise information about the freeze on your website. Prominently displaying on your homepage a link to

information about the security freeze and how to use it would give consumers access to freeze information without first having to navigate through the different pages of TransUnion's website. While TransUnion currently provides information about the freeze on its site, it is difficult for consumers to locate. And because TransUnion is marketing its own branded security freeze tool as part of its larger package of credit monitoring products, it is essential that TransUnion prominently disclose that the freeze is also available as a standalone product at a lower cost. While confusion over whether the freeze is available on its own is a concern for all consumers, it is particularly worrisome for consumers who reside in states that provide the freeze right by law, but who are unaware of that right. They may be led to believe that the freeze is only available through the costly bundle.

Again, I applaud your efforts to make the security freeze available to consumers throughout the country. It is an excellent first step in giving consumers a powerful new identity theft prevention tool. I look forward to working with you to make the security freeze more affordable and accessible for consumers.

Sincerely,

  
CAROLYN B. MALONEY  
Member of Congress

# United States Senate

WASHINGTON, DC 20510

October 11, 2007

Richard F. Smith, Chairman & CEO  
Equifax  
1550 Peachtree Street NW  
Atlanta, Georgia 30309

Dear Mr. Smith:

I write to urge Equifax to structure any new credit freeze policy in order to protect consumers best from identity theft. I was pleased to see recent news reports that Equifax plans to allow consumers nationwide to place credit freezes on their files, and I hope that Equifax follows through on this pledge. Credit freezes that suspend access to credit reports and scores without the consumer's consent can be valuable tools to stop or prevent the ravages of identity theft. However, I am concerned that Equifax may, like other leading credit bureaus, decide to require consumers to initiate freezes through certified mail or to charge consumers \$10 for initiating, lifting or removing a freeze, unless they are identity theft victims.

I am calling on Equifax, and the other two leading credit bureaus, to protect consumers by including four simple, sensible elements in credit freeze policies. Consumers are rightly concerned about the risk of identity theft, and credit reporting should foster trust by providing easy access to credit freezes for consumers who fear that their information will be misused.

First, Equifax should allow all consumers to request or lift a freeze by telephone, online, or through first-class mail, at the election of the consumer. Certified mail does not provide any additional assurance of the requester's identity, yet the additional time and expense of using certified mail may dissuade consumers who need credit freezes from protecting themselves.

Second, Equifax should not charge any fee for placing, temporarily lifting, or removing a credit freeze. It is not just the known victim of identity theft who may wish to protect her private information with a credit freeze, but also the traveler who has lost her pocketbook in the airport, the elderly veteran who mistakenly gave out information to a stranger, or the consumer whose information was exposed in a data security breach. Consumers should be able to suspend unwanted access to their credit records for any reason, without facing repeated fees. It makes even less sense to charge consumers for lifting or removing a credit freeze given that unfettered access to credit information benefits both consumers and lenders.

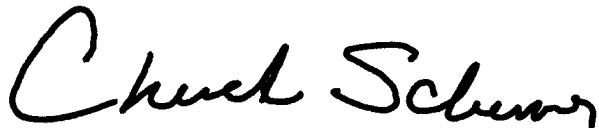
Third, Equifax should immediately implement a consumer request to place, lift and remove a credit freeze. No consumer should have to stand by and wait for a credit freeze to be processed while a thief exploits that consumer's good name. Moreover, as long as the requester's identity is verified, quick lifting of freezes will facilitate legitimate lending and borrowing without harming data privacy. Thus, a telephone or electronic request for changes to a consumer's freeze status should be made within minutes of the request being received.

Finally, now that all three major bureaus intend to offer credit freezes, Equifax should transmit any consumer's request for a credit freeze to the other two bureaus, as is currently done with fraud alerts. Using the same procedures developed for fraud alerts, consumers should be able to make a single request to freeze their files at all bureaus. Sharing freeze requests among the credit reporting agencies is more efficient for all parties and will ensure that consumers do not unwittingly leave the door open to identity theft by placing a freeze at only one bureau.

In addition to contacting Equifax, I am making these same four requests of the other leading credit bureaus. It is my hope that all the bureaus will promptly adopt these elements as a part of credit freeze policies. However, I am also prepared to consider introducing legislation to protect consumers by requiring credit reporting agencies to follow the policies outlined above.

Again, I appreciate Equifax's indication that it plans to make credit freezes available to consumers. Thank you for your consideration, and I look forward to your reply.

Sincerely,

A handwritten signature in black ink that reads "Charles E. Schumer". The signature is written in a cursive, flowing style with a large initial "C".

Charles E. Schumer  
United States Senator

# United States Senate

WASHINGTON, DC 20510

October 11, 2007

Donald A. Robert, CEO  
Experian  
475 Anton Boulevard  
Costa Mesa, CA 92626

Dear Mr. Robert:

I write to urge Experian to adopt changes to its credit freeze policy in order to protect consumers better from identity theft. I applaud Experian's recent decision to allow consumers nationwide to place credit freezes on their files. Credit freezes that suspend access to credit reports and scores without the consumer's consent can be valuable tools to stop or prevent the ravages of identity theft. However, I am concerned that Experian intends to require consumers to initiate freezes through certified mail. I am also disappointed that Experian plans to charge consumers \$10 for initiating, lifting or removing a freeze, unless they are identity theft victims.

I am calling on Experian, and the other two leading credit bureaus, to protect consumers by making four simple, sensible changes to its credit freeze policies. Consumers are rightly concerned about the risk of identity theft, and credit reporting should foster trust by providing easy access to credit freezes for consumers who fear that their information will be misused.

First, Experian should allow all consumers to request or lift a freeze by telephone, online, or through first-class mail, at the election of the consumer. Certified mail does not provide any additional assurance of the requester's identity, yet the additional time and expense of using certified mail may dissuade consumers who need credit freezes from protecting themselves.

Second, Experian should not charge any fee for placing, temporarily lifting, or removing a credit freeze. It is not just the known victim of identity theft who may wish to protect her private information with a credit freeze, but also the traveler who has lost her pocketbook in the airport, the elderly veteran who mistakenly gave out information to a stranger, or the consumer whose information was exposed in a data security breach. Consumers should be able to suspend unwanted access to their credit records for any reason, without facing repeated fees. It makes even less sense to charge consumers for lifting or removing a credit freeze given that unfettered access to credit information benefits both consumers and lenders.

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In addition to contacting Experian, I am making these same four requests of the other leading credit bureaus. It is my hope that all the bureaus will promptly adopt these reforms. However, I am also prepared to consider introducing legislation to protect consumers by requiring credit reporting agencies to follow the policies outlined above.

Again, I appreciate Experian's decision to make credit freezes available. Thank you for your consideration, and I look forward to your reply.

Sincerely,

A handwritten signature in black ink that reads "Charles E. Schumer". The signature is written in a cursive, flowing style.

Charles E. Schumer  
United States Senator

# United States Senate

WASHINGTON, DC 20510

October 11, 2007

Harry C. Gambill, CEO  
TransUnion  
555 West Adams Street  
Chicago, IL 60661

Dear Mr. Gambill:

I write to urge TransUnion to adopt changes to its credit freeze policy in order to protect consumers better from identity theft. I applaud TransUnion's recent decision to allow consumers nationwide to place credit freezes on their files. Credit freezes that suspend access to credit reports and scores without the consumer's consent can be valuable tools to stop or prevent the ravages of identity theft. However, I am concerned that TransUnion intends to require consumers to initiate freezes through certified mail. I am also disappointed that TransUnion plans to charge consumers \$10 for initiating, lifting or removing a freeze, unless they are identity theft victims.

I am calling on TransUnion, and the other two leading credit bureaus, to protect consumers by making four simple, sensible changes to its credit freeze policies. Consumers are rightly concerned about the risk of identity theft, and credit reporting should foster trust by providing easy access to credit freezes for consumers who fear that their information will be misused.

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United States Senator