

6. Identity Theft

ID Theft – Tips to Reduce Your Risk

Ichiro received a phone call from an auto finance company that said it was going to repossess his truck. Ichiro did not own a truck. He found out that someone using his name and Social Security number had applied for a car loan and had never made the payments. He also found out this same stranger had opened up two credit accounts in Ichiro's name and charged thousands of dollars.

When someone else uses your name, Social Security number, bank account number, credit card number, or any other personal identifying information to commit fraud, it's called identity theft. The imposter may open credit accounts, get a driver's license, or rent an apartment in your name, and wreak havoc with your finances. An identity thief may even rack up criminal charges or declare bankruptcy in your name.

You should suspect identity theft if: you receive a letter from a bank or creditor confirming your recent change of address—and you haven't moved; you receive a call or letter stating that you have been approved or denied credit for which you never applied; or a collection agency says it is trying to collect on an account that you didn't open.

To reduce your vulnerability of becoming a victim of identity theft:

- Don't give personal information over the phone, through the mail, or on the Internet unless you've initiated the contact. Thieves lie to trick you into disclosing information. Don't hesitate to end the communication and if necessary follow-up at a number or address you know to be accurate (i.e., the number you find in the phone book or on your billing statement).
- Treat your mail and trash carefully. Place outgoing mail in a secure collection box and promptly remove mail from your mailbox.
- Tear or shred private records including charge receipts, credit applications, insurance forms, physician statements, checks and bank statements, expired charge cards that you're discarding, and credit offers. Also shred anything that has your Social Security number or an account number.
- Stop mail credit offers by calling toll-free 1-888-567-8688 or visiting www.optoutprescreen.com. You will be asked to provide your Social Security number so the consumer reporting companies can match your request with your file. These systems are automated, so you won't be able to speak to an operator when you call.
- Carefully and promptly review statements and bills for unauthorized charges or fraudulent use. Make a written report of any problems.

- Don't carry your Social Security card or number; instead leave it in a secure place.
- Don't leave personal information where others can see it, particularly if you have roommates, employ outside help, or are having work done in your home.
- If you need to order check refills, instead of having your checks mailed to you, pick them up at your bank or credit union.
- Limit the information on personal checks. Your middle name, phone number, Social Security number and driver's license number do not have to be on your checks.
- Keep a secure master list or photocopies of all important identification and account numbers – driver's license, Social Security card, credit cards, bank and utility account numbers, expiration dates, and the phone numbers of the customer service fraud departments of your card issuers. Keep in a safe place - but not your purse, wallet, or a car – so that you can respond quickly in case your identification is lost or stolen.
- Check your credit reports every four months. Use the form attached at Appendix A if you wish to do so by mail. You may also order reports by phone at 1-877-322-8228, or online at www.annualcreditreport.com. You are entitled to one free report from each of the three credit reporting agencies each year. Remember to request that only the last four digits of your Social Security number appear on your report.
- If you do not think you will need to apply for credit in the near future, you may also wish to consider adding a "security freeze" to your credit reports. A "security freeze" essentially locks, or freezes, your credit reports – that means that potential creditors and other third parties will not be able to get access to your credit report unless you temporarily lift the freeze. For more information on how to place security freezes on your credit reports, please see the Attorney General's consumer alert entitled "*Security Freeze Information for Michigan Consumers*," available at www.michigan.gov/ag.

If you discover that someone is using your identity fraudulently, immediately report it to one of the consumer reporting companies: Equifax: 1-800-846-5279; Experian 1-888-397-3742; or TransUnion: 1-800-680-7289. The company you call is required to contact the other two companies. Also close the accounts that have been tampered with or opened fraudulently, and file a report with your local police. These and other steps are detailed in the Federal Trade Commission's publication, "*Take Charge: Fighting Back Against Identity Theft*" available at www.ftc.gov/idtheft.

How to Reduce Telemarketing Calls and Junk Mail

Tired of annoying telemarketing calls and junk mail filling your mailbox? Take the following steps to reduce your interruptions.

To reduce telemarketing calls:

- The Federal Trade Commission (FTC) has made it easier for consumers to block telemarketers with the National Do Not Call Registry. This program allows consumers to register their phone numbers and be placed on a national list of numbers that telemarketing companies are not allowed to call. To register by phone, call 1-888-382-1222, or online at www.donotcall.gov. Consumers DO NOT need to reregister their phone numbers – registrations will not expire. If a company tries to contact you after the initial 31 day registration period, consumers may file a complaint at 1-888-382-1222.
- When you get a telemarketing call, simply say “Put me on your ‘do not call’ list.” The federal Telephone Consumer Protection Act of 1991 requires companies to keep this list. Your request must be honored for five years.
- Get an unlisted number.

To reduce junk mail:

- Register with the Direct Marketing Association’s Mail Preference Service to get off many national mailing lists. Register online (www.dmachoice.org) or complete the form in Appendix A and send it along with \$1 check or money order payable to the DMA (instructions included on form). Your registration is good for three years.
- Tell the credit reporting agencies that you don’t want to receive pre-approved offers of credit. Those credit card offers that come in the mail are from companies who get your name and address from one of the credit reporting agencies. Call toll-free: 1-888-567-8688. You may also visit www.optoutprescreen.com. You may choose to opt out for five years, or permanently. You can also call the same number or visit the same website to opt back in.
- Tell magazines to which you subscribe, and charities to which you donate, that you don’t want them to share your name with other businesses or charities. Request the same from mail order companies.
- Read the privacy policies of your credit card companies and banks. The policies must give you an “opt-out” option, by which you can tell the bank not to share your personal information with other companies. The bank may still be allowed to share your information with its “affiliate” companies.

- Don't enter sweepstakes and drawings. The main purpose of many contests is to compile mailing lists. If you enter one contest, you are likely to receive mailings from other contests.

More Help

Get more ideas on how to stop junk mail and telemarketing by visiting www.michigan.gov

Read more about your rights under the Telephone Customer Protection Act at the Federal Communications Commission website, www.fcc.gov/cib/.

For more information on how to avoid telemarketing fraud visit the Federal Trade Commission website, www.ftc.gov.

The FTC's Telemarketing Sales Rule helps protect you from abusive and deceptive telephone sales practices. The rule restricts calling times to the hours between 8 a.m. and 9 p.m., and puts other limits on telemarketers, too. For example:

- Telemarketers must tell you it's a sales call, the name of the seller, and what they're selling before they make their pitch.
- It's illegal for telemarketers to lie about their goods or services, earnings potential, profitability, risk or liquidity of an investment, or the nature of a prize in a prize-promotion scheme.
- Before you pay, telemarketers must tell you the total cost of the goods they're selling, any restrictions on receiving or using them, and if a sale is final or non-refundable. In a prize promotion, they must tell you the odds of winning, that no purchase or payment is necessary to win, and any restrictions or conditions on receiving the prize.
- It's illegal for a telemarketer to withdraw money from your checking account without your expressed, verifiable authorization.
- It's illegal for a telemarketer to call you if you have asked not to be called.