

MANAGING YOUR MONEY



Preventing ID Theft

(NAPSA)—If you use credit cards, drive a car, have a bank account or just have a Social Security number, you could be at risk for identity theft. According to the Federal Trade Commission, more than 9 million people each year are victims of identify theft—one in every 25 Americans—resulting in costs to consumers and businesses of more than \$50 billion annually.

It's a horror story that happens daily across the country. For example, Kathryn Lasater of San Jose, Calif., is a typical college sophomore with just enough in her savings account to cover rent and utilities every semester. You can imagine her surprise when she received a phone call from a bank in Omaha, Nebraska, regarding a defaulted home loan taken in her name. Kathryn learned that someone had used her Social Security number to apply for and receive a home loan in her name. She spent the next six months making countless phone calls and penning dozens of letters to restore her good credit.

Unfortunately, most people who commit identity fraud are never caught or penalized. While the U.S. Secret Service investigates frauds over \$2,000, most credit card criminals stay below this threshold.

The single most effective way for consumers to prevent ID theft is to "freeze" their credit with the nation's three credit bureaus (Experian, TransUnion and Equifax). Once activated, a credit freeze prevents financial institutions from issuing any credit—including new credit cards—without the explicit permission of the consumer. Credit freezes, currently available under state law in more than a dozen states, stop

1 IN 10

AMERICANS ARE VICTIMS OF

IDENTITY THEFT

IN THEIR LIFETIME

AN IDENTITY

IS STOLEN

EVERY 4 SECONDS

IN THE US

IN THE LAST 12 MONTHS

OVER 50 MILLION

CONSUMER DATA RECORDS

WERE LOST

THE AVERAGE COST

TO RESTORE

A STOLEN IDENTITY

\$8000



Identity theft is a significant problem in the U.S.

the problem of identity theft at its root.

Retail industry lobbyists have begun to fight for changes in state and federal laws to protect consumers and merchants from fraud, but the credit card industry has opposed many of the requested laws. Now Congress is considering a bill that could deny consumers the rights they have under existing state laws to freeze their credit reports. This federal legislation, if passed, would effectively hand over control of credit freeze to the credit bureaus.

Consumer advocates are urging Americans to contact their members of Congress and ask them to oppose this legislation, currently known as HR 3997. Learn more about this issue and how you can protect your personal financial information at www.handsoffmycredit.com.