

New ID Theft Laws Help Protect Consumers



Identity theft is one of the fastest growing crimes in the U.S. Victims of identity theft spend countless hours and precious resources

trying to clear their names. In some extreme cases, victims have actually been jailed for crimes they did not commit. In response, the Texas Legislature has passed and Governor Perry has signed new laws to protect consumers.

The strongest and most comprehensive of these new laws is SB 122, which gives my office more authority to file suit against those who commit identity theft, including restitution to victims and fines up to \$50,000 per violation.

The law, which goes into effect September 1, 2005, requires businesses to implement and exercise reasonable procedures to safeguard their clients' information. If an information security breach occurs, they must notify Texans whose sensitive personal information was, or was reasonably believed to be, acquired by an unauthorized person.

SB 122 requires peace officers to create a written report whenever a consumer alleges being a victim. Consumers will be able to present

those reports to credit reporting bureaus to help clear their names. Identity theft victims will also be able to ask state district courts directly to issue orders reflecting that they were victims of identity theft.

HB 1098, meanwhile, addresses the problem of "phishing." In these types of scams, criminals create bogus websites that look like those of legitimate businesses but are actually traps meant to steal personal and financial information. HB 1098 bans the practice of creating bogus websites and sending bogus e-mails for the purpose of deceiving someone into revealing personal information.

HB 1130 says a person or a business cannot require disclosure of Social Security numbers as a requirement for receiving goods and services unless the business person has a privacy policy in place, shares the policy with the customer, and maintains the privacy of all collected Social Security numbers.

One of the major problems that victims face in the wake of identity theft is obtaining new credit. The Texas Legislature has addressed this issue. Under SB 99, credit issuers may not deny credit to someone simply because he or she has been a victim of identity theft (victims must have filed a criminal complaint over the theft). The credit issuer can deny credit to an identity theft victim on

other grounds, such as poor repayment history.

Consumers should also take steps to protect themselves from identity theft. Shred all documents that contain personal information, such as pre-approved credit offers, insurance forms and financial statements. The information in these documents could be used by an identity thief to open accounts and incur debts in your name.

It's important that you review your bank and credit card statements carefully each month. Discovering identity theft within one month can drastically reduce your monetary loss and damage to your credit.

Warning signs of identity theft include unexplained credit card charges or bank account withdrawals. You may stop receiving bills and other mail, or start receiving credit cards you did not apply for. Another warning sign is that you may be contacted by a collection agency about a debt you do not owe, or you may be denied credit due to unauthorized debts.

If believe you are a victim of identity theft, file a report with your local police department or sheriff's office. You should also contact the fraud department of any one of the three major credit bureaus and place a fraud alert and credit freeze on your credit file.

POINTS TO REMEMBER

Protect Yourself from Identity Theft

- Safeguard your personal information and documents
- Memorize your personal identification numbers and passwords instead of writing them down
- NEVER give out personal financial information in response to an unsolicited telephone call or e-mail
- Report identity theft to your local police department or sheriff's office
- File an identity theft complaint on the FTC's Web Site at www.ftc.gov

Contact the major credit bureaus as follows:

EXPERIAN
P.O. Box 2104
Allen, TX 75013-2104
888-397-3742
www.experian.com

EQUIFAX
P.O. Box 740241
Atlanta, GA 30374-0241
800-685-1111
www.equifax.com

TRANS UNION
P.O. Box 2000
Chester, PA 19022-2000
800-888-4213
www.tuc.com



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