

FEDERAL TRADE COMMISSION
IDENTITY THEFT VICTIM ASSISTANCE WORKSHOP

ONE STOP SHOP BREAK-OUT SESSION

MODERATORS:
CHRISTOPHER KELLER
HELEN FOSTER

TUESDAY, OCTOBER 24, 2000

A T T E N D E E S

Christopher Keller
Helen Foster
John McGee
Bob Ryan
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Eric Ellman
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Robert Greer
Phil McKee
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this weighs out in terms of numbers, but we do get calls from consumers who say, "But all I wanted to do was just make sure that fraud alert was on, and I'll get a copy of my credit report, and I'll take care of the rest of it when I can see it, but I need to get that fraud alert on immediately." And they're very frustrated sometimes, and we spoke about this yesterday, the automated systems don't work if your file has been mixed up enough that you can't make a match. But so there's the tension there, the tension between folks who really want to have that live assistance and that live contact, and folks who want that immediate fraud alert, and maybe there's two separate resolutions to that problem.

MR. MCGEE: John McGee with Computer Science Corporation. The case that you just mentioned though where the addresses have been changed, placing a call to the FTC is not going to solve that. You're still going to have to talk to the repositories because they have the data. And I think we're all going to set an unrealistic expectation for consumers that they can call any one place and resolve the issue. You're going to have to make those calls, and I think that the repositories are better able to explain to the consumers what's in their files, how do they get it corrected, how they can take proactive steps to be preventative in having downside occurrences of ID fraud impacting, and I just don't see the -- I think we're going to set a new expectation.

MS. FOSTER: Bob was next and then Janine.

MR. RYAN: Bob Ryan with TransUnion also. Just to reiterate two points, perhaps three real quick ones, to reiterate Stuart's point in his testimony or in his presentation yesterday, in the example that you gave and in Dave's, many times the individual does have some fragmentary information about the event that precipitated the problem or the call from the collection agency. And so our concern, or Stuart's concern, is that there's great difficulty, if not impossibility, to separate that dispute resolution, the dispute placement process which is an FCRA responsibility when the consumer calls and they are a victim, and they call with the understandable expectation, especially if it's marketed frankly and publicized as a one stop shop.

MS. FOSTER: Unfortunate.

MR. RYAN: It's an unfortunate phrase, and that's perhaps my third point. That's point 1. Point 2 is that in your own presentation and the statistics that one of your representatives gave at the beginning of the sessions yesterday it was clear the credit reporting issues themselves are an important part but only a part of this whole identity theft issue. There are a lot of public record problems. There's a lot of account take over I think was your biggest category which may or may not even reflect on the credit history. There are all of the issues that were discussed today of criminal -- false criminal records, so I would be concerned about just the name and holding up the expectation to the public of one stop shop. And a final quick observation, I don't think that was in the charter that Congress created with the identity theft for the central repository role that you have begun to play --

MS. FOSTER: No.

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If you don't, then we ought to give those to you so when you give a consumer referrals, you can refer them to us.

MS. BENNER: Can I get those numbers too? Can we get those and make them popular.

MR. GREER: This is Robert Greer again, and I was able to talk to fraud investigators out of each of the three bureaus, but getting through to the investigator was difficult, and most recently in

outside of the three major credit reporting agencies, you run the risk of running into a problem that already exists in the phone tree systems, and that is the lack of a match up in extreme cases where the person's address has been changed on the credit report to reflect the address of the ID thief. In that case, if you were dealing with a one stop shop or this outside shop that does not have full and total access to the databases of each of the CRAs, they're going to take the information, report it to the CRAs, and then get back an error code if it's being done electronically because there's no match.

MR. WOLFF: You're exactly right.

MR. MCKEE: And so the only way to make an outside phone number work is if that outside number has complete and total access, even including modification ability and admin control on each of the CRA's databases.

MS. FOSTER: Not it.

MR. MCKEE: I don't think anyone would ever want that, but you run into that problem if you

correct, whether you call the credit reporting agency directly and whether their practice is to put you through an electronic step by step process that will initiate that fraud alert, if there's -- if

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getting that fraud alert on. The second thing that happens for those passive members of the population who really don't care is we send you a copy of your credit report. Disclosure of the credit file is, I believe, Eric, correct me if I'm wrong because I haven't been on those work groups that our industry has convened over the last several years, but as an industry, all of us send the consumer who believes they are at risk for identity theft -- when they contact us for that fraud alert, we send them a copy of their credit report. Our company happens to talk to you on the phone at least to look at recent activity, but all of us send you a copy of the credit report.

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lot of issues within our industry. One commitment we've made -- we're probably not implementing it until next year some time -- but one commitment we've made is to send fraud alert -- identity theft victims to monitor their credit file and send them notification of new activity that hits their file. I think that's an absolute magnificent next step for our industry. We've made that commitment in our fraud committee groups. I suspect that all three of us -- I can't speak for Experian and Equifax that we'll have that in place sometime next year, and one of the problems consumers experience is that you may be a victim today but your identity might not be used. There are accounts that haven't hit your credit report yet so you don't know what you're disputing

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MR. WOLFF: My final comment is before we indict fellow reporting agencies here, I'm not personally familiar with how their fraud VRUs work and what the process is there. Certainly I think that they would share with you hopefully exactly how that process works and if it works effectively. I mean, there are a lot of anecdotal messages that come out in forums such as this, but I don't know how it works, and unfortunately they're not here today to explain that.

MS. FOSTER: That is unfortunate.

MR. WOLFF: They were here yesterday, but before we jump to conclusions about that, that can never get in or that it doesn't work or whatever, certainly I would encourage the staff to look in very -- in a very detailed fashion whether it's through associated credit bureaus or whatever or directly with those companies. I understand how those properties work.

MS. FOSTER: That's exactly what we're looking to do, and when I said I was looking for a

MS. BRENNER: I guess the point I just want to make finally is that it may be difficult, it may be inconvenient for the credit bureaus or the creditors to set up a system like this, but it's the consumers that matter because basically you're going to hate me for saying this, that it's the victim -- thief's fault but it's also your fault that we have our identities stolen. I think that, Joe, the victim who left yesterday made a really good point. He said if you guys had been doing your jobs I wouldn't be here so I don't think it doesn't necessarily have to be at the burden of the consumer to clean up this mess but the burden of the credit bureaus and the creditors, and that's who should come to the system.

MS. FOSTER: Robert, did you have something you wanted to add?

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