

Observe National Consumer Protection Week by Guarding Your Identity



National Consumer Protection Week is March 3 – 9 and is a time to help people understand their consumer rights and make well-informed financial decisions. One important way to do this is to take steps to prevent identity theft.

In 2018, 2,915 cases of identity theft were reported in Utah. To prevent becoming a victim, consider these tips.

Tip 1: Fraud Alert

You may place a fraud alert on your credit file. You don't have to be a victim of ID theft to use a fraud alert – it just means businesses must verify your identity with you before you can open a new credit account. For example, a credit reporting agency may call to verify that you're the one soliciting credit from a particular business. This can make it harder for an identity thief to open an account in your name. There are a few different types:

- An “initial fraud alert” lasts 90 days and must be

renewed or it will expire.

- An “extended fraud alert” lasts 7 years and is recommended for those who are victims of fraud/ID theft.
- An “active duty military alert” lasts 1 year and is intended for those in the military who want to minimize their risks while deployed.

Fraud alerts are free and can be done by contacting one of the three major credit reporting bureaus, including TransUnion, Experian and Equifax, by phone or online to set it up. The bureau you contact is required to notify the other two credit reporting bureaus for you.

Tip 2: Credit Freeze

Unlike a fraud alert, a credit freeze prevents anyone – *including you* – from accessing your credit report information to determine credit worthiness to open new accounts. Once a credit freeze is set up, you’ll get a PIN number to use each time you want to freeze and unfreeze your account to apply for new credit. A credit freeze does not affect your credit score. You’ll still need to monitor all bank, credit card and insurance statements for fraudulent transactions. A credit freeze lasts until you remove it. Costs range from \$5 to \$10 each time you freeze/unfreeze your credit. Finally, you must contact each of the three credit reporting bureaus individually to set up a credit freeze.

Credit freezes can be a helpful tool in protecting your credit, but they may not be right for everyone. Consider the cost and hassle and whether or not you plan to apply for a car loan, mortgage, student loan, etc. in the near future. If you won’t need new credit anytime soon or if you’ve already been a victim of fraud or ID theft, a credit freeze may be a great safeguard.

Tip 3: Create a mySocialSecurity Account

Protect your social security number and account by logging on to ssa.gov and create a “my Social Security” account. This account documents Social Security earnings and taxes, allows you to request a replacement card, set up direct deposit and get a replacement Medicare card (if applicable). When you set up the account, you’ll be asked to verify your identity by answering multiple questions about your personal info (addresses, accounts, loans, etc.). Each time you log in, you’ll be asked for a user name and password, and you’ll be sent a verification code.

You may choose the “upgrade my security” option and put even more security measures in place each time you log in. If you already have an account but haven’t signed in lately, take a moment to log in and increase the security protocols by adding a second identification method.

Tip 4: Be Vigilant

Protecting personal identifiable information is an ongoing effort. After you’ve taken steps like those mentioned above, you must continue to be vigilant:

- Check credit reports regularly for suspicious activity.
- File your tax return as early as possible. Don’t give an identity thief more time to file in your name.
- Read the explanation of benefits from your health insurance company(s) to make sure all treatments are accurate.

For further information on protection from money scams, identity theft, tax fraud, social security fraud and more, visit consumer.ftc.gov. For personal finance tips, visit utahmoneymoms.com.

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