



Credit Report Freeze – Why Do It?

Worried you might be the target of identity theft or fraud?

To help safeguard your credit history information, all three of the major credit agencies – Equifax, TransUnion, and Experian – allow individuals to freeze access to their credit reports. Security freezes prevent companies other than ones you already do business with from viewing your credit report.

Due to a change in Federal law in late 2018, consumers in Wisconsin and across the United States are now able to place **FREE credit freezes** on their credit reports with each of the three major consumer reporting agencies. Before this change in law, Wisconsinites were charged a \$10 fee per credit bureau for placing a freeze on their credit report and then \$10 for removing a freeze, except if they were a victim of identity theft.

A credit freeze, also called a security freeze, is one of the strongest steps you can take to prevent people from fraudulently opening new accounts in your name. A credit freeze restricts people's access to your credit report, and you will likely need to lift the freeze when applying for new credit.

Credit freezes do not prevent your current creditors from reviewing your credit report. Your existing insurance company may review your credit report before renewing a policy, for example, or your credit card company may check your credit report before increasing your credit limit. Also, a freeze will not prevent new accounts from being opened by creditors who do not use credit reporting data.

A security freeze will make it slower for you to conduct some normal activities such as:

- Open a new credit card
- Apply for a mortgage
- Apply for a new apartment
- Shop for a new insurance policy
- Obtain an auto loan
- Open a Social Security account online
- Apply for a private student loan
- Have an employment background check

You can temporarily lift a security freeze when applying for new accounts or doing other activities that require access to your credit report. Lifting the freeze may take a few hours or a day depending on the credit reporting agency's procedures for processing requests.

APPLYING FOR A SECURITY FREEZE

You must apply for a security freeze directly with each of the three credit agencies. Placing a freeze with one agency does not freeze access to your reports from the other two agencies. Have your full legal name, social security number, and addresses for the past two years available.

	Experian	Equifax	TransUnion
Online	www.experian.com/freeze	www.freeze.equifax.com	www.transunion.com/credit-freeze
Phone	888-397-3742	800-685-1111	888-909-8872

ALTERNATIVES TO A SECURITY FREEZE

If you decide that the inconvenience of freezing your account is too extreme, there are other methods to protect your credit.

- **Fraud Alert** – Also new in 2018, individuals can place a free 1-year fraud alert on their credit report by contacting one of the three major bureaus which will contact the other two bureaus. A fraud alert requires any would-be creditor to take extra steps to verify your identity before opening a new account. Victims of identity theft can place an extended alert on their credit report for seven years.
- **Active Duty Alert** – Members of the military on active duty can place a free alert on their credit report notifying creditors that they are currently deployed. Creditors will then need to take extra steps to verify your identity before opening a new account. This alert lasts for one year and is renewable during the service member's deployment.
- The Consumer Financial Protection Bureau www.consumerfinance.gov explains what to do if you believe you are the victim of identity theft.

A FREEZE OR A LOCK – WHAT'S THE DIFFERENCE?

A freeze and a lock both prevent creditors from accessing your credit report, but there are differences:

FREEZE

- Consumer rights are protected by law.
- Time to lift a freeze varies between credit bureaus.
- Is a regulated free service mandated by Federal law.

LOCK

- Consumer rights are determined by credit bureau offering service.
- Time to lift a lock varies between bureaus - may take minutes, hours, or 2 days.
- Services vary between bureaus.

Another good practice to protect your identity is to monitor your credit report. The University of Wisconsin-Extension "[Check Your Free Credit Report](#)" campaign makes the process of ordering and reviewing a free credit report as easy as possible. Anyone can sign up to receive an email reminder from UW-Extension three times a year—on 2/2, 6/6, and 10/10—on the right sidebar. While you can order all three reports from the three credit bureaus – Equifax, Experian, and TransUnion – at the same time, UW-Extension recommends that you view one report every four months so you can be sure that the information is up-to-date and accurate year-round. Visit the Check Your Free Credit Report Campaign's website at fyi.uwex.edu/creditreport

At a minimum, protect your credit by checking your monthly credit card and bank statements for any suspicious or unknown charges. Contact your credit card or financial institution immediately and report any unauthorized use to your local police. With the most recent data breach, it is critical to your data security that you are watchful of all your accounts activities and particularly cautious with sharing personal information.

Visit the [Check Your Free Credit Report Campaign](http://fyi.uwex.edu/creditreport) website at fyi.uwex.edu/creditreport