

PIRG: Mistakes Do Happen: Credit Report Errors Mean Consumers Lose

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Executive Summary

The most valuable thing we have is our good name. As consumers, the most common reflection of our reputation as someone who pays bills on time, is trustworthy and financially sound is our credit report. Unfortunately, the information contained in our credit reports, which are bought and sold daily to nearly anyone who requests and pays for them, does not always tell a true story.

Credit bureaus collect and compile information about consumer creditworthiness from banks and other creditors and from public record sources such as lawsuits, tax liens and legal judgements. The three major credit bureaus -- Experian (formerly TRW), Equifax, and Trans Union -- maintain files on nearly 90 percent of all American adults. Those files are routinely sold to credit grantors, landlords, employers, insurance companies, and many others interested in the credit record of a consumer, often (legally) without the consumer's knowledge or permission. Conversely, consumers rarely check their credit record until after they've been denied or otherwise encountered a problem. Throughout the 1990s, credit report errors have been a serious problem that several states and Congress have addressed.

This is the PIRGs' sixth study on credit report accuracy and privacy issues since 1991. The PIRGs have also participated in state and federal legislative battles to improve credit reporting laws. This report is our first investigation of credit report accuracy since 1996 Congressional changes to the federal Fair Credit Reporting Act (FCRA), designed to improve the accuracy and ease of access to reports, took effect in September 1997. The findings of Mistakes Can Happen are troubling. An alarming number of credit reports contain serious errors that could cause the denial of credit, a loan, or even a job. Further, some consumers never even received their reports, even after repeated calls.

Among the major credit report accuracy findings of the survey:

- Twenty-nine percent (29%) of the credit reports contained serious errors - false delinquencies or accounts that did not belong to the consumer - that could result in the denial of credit;
- Forty-one percent (41%) of the credit reports contained personal demographic identifying information that was misspelled, long-outdated, belonged to a stranger, or was otherwise incorrect;
- Twenty percent (20%) of the credit reports were missing major credit, loan, mortgage, or other consumer accounts that demonstrate the creditworthiness of the consumer;
- Twenty-six percent (26%) of the credit reports contained credit accounts that had been closed by the consumer but incorrectly remained listed as open;
- Altogether, 70% of the credit reports contained either serious errors or other mistakes of some kind.

Among the survey's major access to credit report findings:

- Of the consumers that did obtain their credit reports, at least 14% of them were forced to call back 3 or more times after receiving busy signals or had to write a letter in order to receive their report;

- And 12% of the consumers waited two weeks or longer to receive their report once they finished requesting it. It took more than a month for one California man to receive his report.
- Overall, 15% of consumers who attempted to participate in the survey either made at least 3 phone calls and never got through or requested their reports but never received them.

Although credit reports contain vitally important information about most consumers, the accuracy of those reports is far from guaranteed. While credit bureaus and creditors have gone to great lengths to ensure that they have the right to collect and compile monstrous lists of information about most of us, mistakes in credit reports do happen, and more often than credit bureaus and, also, banks and department stores (who are often responsible for the mistakes) would like us to think. Until policymakers and credit bureaus do what it takes to allow consumers to have free and easy access to their credit reports and set tougher standards to prevent and clean-up mistakes, too many credit reports will remain a ticking timebomb of dangerously inaccurate information. And our good names will continue to be at risk, as we pay the price for mistakes made by credit bureaus and other data dealers.

Despite major improvements to the law made by Congress and several states in the last several years, PIRG recommends the following actions:

- Improved access to credit reports be granted to consumers. Each national credit bureau should annually and automatically mail a copy of each consumer's report.
- Increased duties to ensure accuracy and avoid errors be imposed on banks, department stores and other firms that furnish information to credit bureaus, and that immunity restrictions on consumers' ability to sue these furnishers be repealed.
- That the Federal Trade Commission investigate credit bureau compliance with new provisions requiring easier access to credit bureau personnel, especially during normal business hours.

IntrCredit Bureaus and Credit Reporting Laws

In 1971, Congress enacted the Federal Fair Credit Reporting Act (FCRA), which provided consumers with modest rights of redress in case of misuse or errors in their credit reports. The law allowed credit bureaus to sell credit reports to any business with a "credit, insurance, employment, or other business need" without first asking the consumer's permission. Consumers were only granted the right to inspect their report without paying a fee if they had been recently denied credit, but the law did not provide that consumers even be informed about that right.

During the 1980s, the credit reporting industry took advantage of improved computer technologies and consolidated its databases from thousands of local credit bureaus into 5, then 3, national credit bureaus. Those three credit bureaus are British-based Experian (formerly TRW), Atlanta-based Equifax, and Chicago-based Trans Union. (In addition to these Big 3 databases, the credit reporting industry also includes several thousand local affiliated bureaus and independent wholesalers that purchase data from the "Big 3", as well as numerous specialized credit bureaus, including Tele-check, Chexsystems and the Medical Information Bureau).

Merging databases created many mixed-up files, credit errors multiplied, and government agencies were swamped with consumer complaints. Congress, the Federal Trade Commission (FTC), and state Attorneys General began major investigations in 1989. In 1991, Experian (then

TRW) admitted to garbling the credit reports of each and every one of the 3,000 residents of Norwich, Vermont, falsely claiming every citizen had failed to pay property taxes. A 1991 Consumers Union study found that 19% of credit reports it surveyed contained errors that might cause the denial of credit. A 1993 PIRG report, "Credit Bureaus: Public Enemy #1 At the FTC," found that credit bureau complaints were the number one consumer complaint to that agency each year between 1989 and 1992. More than one in five complaints to the FTC was about credit bureau errors over that period.

In the early 1990s, the FTC and several coalitions of state Attorneys General signed consent decrees with the major credit bureaus following lawsuits over their high error rates and lack of privacy controls. Several states enacted credit reporting laws of varying degrees, including Vermont (1992), California (1993), Maryland (1994), and Massachusetts (1995). Meanwhile, Congressional reform was stymied by a battle over the preemption of stronger state laws and over the nature of the new law's provisions pertaining to banks and other creditors that acted as "furnishers of information" to credit bureaus. A major flaw in the 1971 FCRA law had been its failure to cover mistakes made by banks and information furnishers, providing that the law and consumer redress rights only applied to the credit bureaus themselves.

Finally, in 1996, a Congressional compromise was reached that attained some consumer credit report accuracy and privacy goals, while also giving the banks greater use of personal information for marketing purposes. Unfortunately, the 1996 FCRA revisions also preempted some provisions of stronger state credit reporting laws, though only for 8 years. In 1996 and 1997, Colorado, Georgia, and New Jersey all enacted consumer-friendly state credit reform laws in areas not preempted by Congress. Each of these states provided a free credit report to consumers upon request and New Jersey additionally made "identity theft" and credit fraud against consumers a felony also subject to minimum damages as well as criminal penalties.

Importance of Credit Report Accuracy

A credit report is often the critical piece of information that determines whether or not a consumer will be able to obtain a credit card, take out a loan, purchase a house, get a job, rent an apartment, or complete other important financial transactions. If a consumer's credit report is inaccurate, she may appear to be a bad credit risk because of a variety of factors: because she appears to have been delinquent on accounts that she was never late on, because she looks like she has too many credit accounts open at one time, because she has court judgements against her that are actually against a stranger, or many other unfortunate scenarios.

Credit report errors can cause the denial of not only credit, but also employment, insurance, housing or even the right to cash a check, use a debit card or open a bank account. Increasingly, instead of obtaining your credit report and looking at it, credit reports are used to generate instant credit scores. Credit scores allow companies to use credit reports more rapidly and cheaply -- one catch, though, is that errors won't be spotted, even obvious ones. For example, one consumer who obtained a credit report for this survey had a false account opened when she was twelve years old. With credit reports being used for so many purposes, and in so many new ways, it is critical that reports be accurate and that the law allow consumers to audit their reports and fix mistakes quickly, and finally, so that they don't recur.

The Fair Credit Reporting Act and related state laws require that the information contained in credit reports be as accurate as possible, and require that credit bureaus use "reasonable procedures" to ensure that accuracy. Also, consumers have the right to dispute inaccurate information in their credit file and to have that information removed unless it can be verified. However, both of these requirements have huge flaws in them that allow, as this report found, for numerous errors to appear in credit reports across the nation.

In many instances, credit report errors cause consumers considerable harm. The results of mistakes can range from the rejection of a credit card application to the denial of a job. Also, errors often cause consumers to spend weeks -- sometimes years -- calling creditors, writing credit bureaus, and worrying anxiously in an effort to remove the inaccurate information from their record. One California victim of credit fraud who contacted PIRG was denied financing on her new car, even after she had contacted all three credit bureaus numerous times about the mistaken delinquencies on her credit report. Another California man had to hire an attorney to send a letter to the credit bureaus, "stating that I am who I am," before he could finally get a stranger's bad credit accounts removed from his credit report. While credit report errors almost always lead to a little consumer hassle, they also can create a ticking timebomb waiting to wreck an unsuspecting consumer's good name at any moment.

PIRG: Mistakes Do Happen: Findings of the Survey

Errors In Credit Reports

Errors in credit reports can cause consumers numerous problems, including denial of credit applications, employment, home loans, and medical coverage. While credit bureaus argue that they go to great lengths to ensure the accuracy of consumer credit reports, mistakes clearly do happen. And when credit bureaus make mistakes, consumers pay the price.

Credit report errors can occur for several reasons, including:

- Inaccurate reporting of personal demographic information by a bank or other creditor ("furnisher of information"), such as name, address, or social security number, or a failure of a credit bureau to maintain adequate matching software to link a consumer's information, causing a consumer's accounts in good standing to be lost in the system;
- The inaccurate reporting of a consumer's account status by banks, department stores and other furnishers, causing the consumer's account to contain incorrect delinquencies.
- Information mixed together by the credit bureau in files containing similar names, either belonging to strangers, housemates, or relatives, especially grossly negative public records such as tax liens and judgements;
- Lack of adequate systems for properly purging obsolete information such as paid-off accounts in good standing or accounts that have been transferred (serviced) to other providers continuing to be reported twice.

This report found errors on credit reports that fell into the following categories:

Serious Errors

The survey found that 29% of the credit reports (39/133) contained serious errors that could clearly result in the denial of credit or other benefits.

While all mistakes in credit reports could negatively affect consumers in some way, "serious" errors are characterized as errors that could clearly result in the denial of credit. As in the 1991 report by Consumers Union, *What Are They Saying About Me?*, "serious" errors here include the following:

- accounts that are incorrectly marked "delinquent,"
- credit reports that contain credit accounts that do not belong to the consumer, and
- reports listing public records or judgements that belong to someone else.

Breaking down the serious errors by sub-categories, we found the following:

- Nineteen percent (26/133) of the credit reports surveyed contained accounts that were unrecognizable or clearly did not belong to the consumer.
- Thirteen percent (18/133) of the accounts were incorrectly listed as having been delinquent.
- One credit report contained a \$780 Superior Court judgement against someone other than the consumer (both had the same last name, but were unrelated and had different addresses) that already has resulted in the delay of the victim's home loan application.

Other errors and problems

Inaccurate personal information

The survey found that 41% of the credit reports (54/133) contained personal identifying information that was long-outdated, belonged to someone else, was misspelled or was otherwise incorrect.

Each of the three major credit bureaus regularly issues credit reports that contain a set of basic personal identifiers that consumers and creditors count on to be accurate, including name, social security number, birthdate, current address, recent previous addresses, and employer.

- Five percent (5%) of the credit reports (6/133) contained misspelled or incorrect names (one had Dana Dorman listed as Dianne Doran, another had Pete Smith III listed as his father, Pete Smith II);
- Three percent (3%) of the credit reports (4/133) had incorrect social security numbers or multiple numbers belonging to total strangers;
- Five percent (5%) of the reports (7/133) had incorrect birthdates (one made a 33 year old consumer appear to be 5 years old);
- Thirty-three percent (33%) of the reports (34/133) had addresses that were outdated, misspelled or at which the consumer had never lived (one woman was incorrectly listed as having lived inside a bar);
- Two of the reports listed employers that consumers had never even worked for.

Missing Accounts

The survey found that 20% of the credit reports (27/133) were missing major credit card, loan, mortgage, or other consumer accounts that demonstrate the credit worthiness of the consumer.

Credit reports are only useful because they are supposed to demonstrate the credit history of a consumer, including their ability to make substantial payments and to make them on time. Fully one fifth of the credit reports surveyed were missing major accounts that should be included on

the report and serve to illustrate that consumers's credit history. Several consumer credit reports were missing the most important accounts those consumers had ever had (one was missing a paid \$75,000 mortgage, another a paid \$12,000 car loan). The accurate inclusion of substantial consumer credit accounts is critical to ensuring that a credit report paints an accurate picture of a consumer's credit worthiness.

Incorrectly Open Accounts

The survey found that 26% of the credit reports (35/133) contained credit accounts that had been closed by the consumer but incorrectly remained listed as or appeared to be "open."

In addition to the solidity of credit history and demonstrated ability to make payments that a consumer credit report shows, one of the most important factors illustrating a consumer's creditworthiness is the extent to which they appear to currently have open credit accounts. All three major credit bureaus are supposed to list accounts that have been closed by a consumer in good standing as either "closed" or "paid" shortly after the closing has taken place. The survey found that more than a quarter of credit reports failed to list as "closed" accounts that the consumer had closed, which could mistakenly make it appear that the consumer is overextended on credit and cause the denial of a credit application. If a consumer is falsely listed as having an available \$5,000 line of credit, for example, that diminishes his or her "capacity" to obtain a new loan.

Errors or mistakes of some kind

The survey found that 70% of the credit reports (93/133) contained mistakes of some kind, including those in the above categories.

Additional types of credit report errors uncovered by the survey included the following:

- Several credit reports had the same exact accounts listed multiple times. One Massachusetts woman had her Macy's card listed 3 times, with one saying she was delinquent and the account was closed by the creditor, while the other two claimed that she had always paid on time and in full.
- A number of credit reports mistakenly listed the potential credit available as the maximum amount that the consumer had owed on the account, making it appear that the consumer was or had been maxed out on their credit limit. One Maryland woman was listed as having owed \$5000 on her credit card when the most she had ever owed was a few hundred dollars.
- Some credit reports contained accounts that clearly did not belong to the consumer, given their age at the time of account opening, but which the credit bureaus listed anyway. A Colorado man and a Maryland woman both had someone else's credit card accounts listed as their own, even though those accounts had been opened when the consumers were 11 years old.

Consumer Access To Credit Reports

Although examples abound of thieves obtaining access to consumer credit reports, and businesses can obtain them legally, but without your permission, the survey found that, despite

new changes to federal law, it is still fairly difficult for many consumers to obtain their own credit report. Several calls had to be made, busy signals were common, and consumers were left on hold numerous times.

While 133 credit reports were obtained for the survey, at least 22 more people were denied access to their credit reports. They either requested it and never received it or they received busy signals or disconnects by the credit bureau on more than 3 separate attempts and then eventually gave up.

- Of the consumers that did obtain their credit reports, at least 14% of them (18/133) were forced to call back 3 or more times after receiving busy signals or had to write a letter in order to receive their report;
- And 12% of the consumers (16/133) waited two weeks or longer to receive their report once they finished requesting it. It took more than a month for one California man to receive his report.
- Overall, 14% (22/155) of consumers who attempted to participate either made at least 3 phone calls and never got through or requested their reports but never received them.

Comprehensibility of Credit Reports

To determine the accuracy of credit reports, they must also be readable and understandable by the average consumer. Historically, wading through the sea of garbled numbers, bizarre codes, and alien abbreviations used in credit reports has been extremely difficult for consumers to do, and has often resulted in credit report mistakes remaining undiscovered and unresolved. The new federal law requires bureaus to make their reports more understandable, but some consumers in this survey still found their reports hard to read.

The survey asked consumers to rate, overall, how easy it was to understand their credit report. Of the 110 consumers who completed that section of the survey, although 45% of them (50/110) found their credit report "Very Easy" or "Easy" to understand, another 35% of them (39/110) found their credit report only "Average" to understand, while 19% of them (21/110) found their credit report to be either "Confusing" or "Very Confusing" to understand.

While improvements in federal law and procedures requiring credit bureaus to use normal language and understandable terms has clearly made understanding credit reports a little easier, it is still a major problem that one-fifth of consumers find it difficult or impossible to understand what their own credit record is telling the world about them.

One Illinois consumer summed up the continuing problem of credit report comprehensibility this way: "The more I look at this, the more confused I get."

Other Credit Report Problems

Lesser Known Credit Bureaus

While consumers who want to keep their credit record error-free are familiar with the "Big 3" credit bureaus, many are not aware of a growing number of other bureaus that also compile consumer information which can result in mistakes. Three of these that provide the most important places where credit errors can negatively impact a consumer are tenant screening services, check verification companies, and a new "debit card credit bureau." The first two categories have typically functioned as "blacklists," only recording and reporting negative information. The third,

new bureau is a variant on the second, but derives its credit scores from both positive and negative information.

In all cases, the burden is on the consumer, here, as with all credit reports, to watchdog their reports for errors, provide proof that the errors are false, and follow up to ensure that the mistakes are corrected. Unfortunately, you may not be aware of the existence of these firms, or that they may maintain files on you (erroneous or not), until it is too late. You do have the right to contact tenant screening or check verification and guarantee companies, to determine whether they maintain a file on you. If they do, it would contain negative information only (bounced check activity, evictions from apartments, etc). However, you may not learn about these files until you are denied. (For more information about these bureaus, see Identity Theft II: Return To The Consumer X-Files, State PIRGs, September, 1997).

Tenant screening companies blacklist tenants

Tenant screening services, such as UD Registry, collect information on eviction lawsuits from court records and compile credit information from the major credit bureaus, which then sell to landlords who wish to screen prospective tenants. Also, tenant screening reports may include subjective information obtained from previous landlords regarding the behavior of the tenant. Like check verification companies, consumers rarely have regular access to their own credit records to catch and correct mistakes, even though they pay the price when those errors occur. A user of tenant screening reports must provide you with oral, electronic or written notice of all your credit report rights, including the right to a free report and the right to dispute errors.

Check verification bureaus also act as blacklists

Check guarantee and verification companies, such as Tele-check, SCAN and ChexSystems, are used by merchants, grocery stores, retail stores, and some banks to determine whether they will or will not accept a consumer's check or allow them to open a new account. Although these companies are subject to the same disclosure and reporting requirements as the major credit bureaus, consumers rarely know about or monitor their records on these systems, and those that have their checks refused because of mistakes or fraud on their report often encounter tremendous difficulty in clearing their name. One consumer who contacted PIRG had discovered that more than \$2,000 worth of bad checks had been written in her name at a major department store and that, even after discovering the fraud on her record, the department store refused to take the necessary steps to clear her name, leaving her with a "bad check writer" tag with the check verification company used by the store. Again, if a merchant denies your check, it is required to provide you with oral, electronic or written notice of all your credit report rights, including the right to a free report and the right to dispute errors. [For more information about these two types of blacklisting credit bureaus, see Return To The Consumer X-Files, the state PIRGs, September 1997]

New Debit and Check Card Credit Bureau Poses High-Tech Problems

In February, 1998, Deluxe Checks, the firm that both prints checks for banks and owns the major credit bureau, Chexsystems, used by banks to verify new accounts, announced a new joint venture with the credit scoring company Fair, Isaacs and a "data mining" company called Acxiom. The new "debit card" bureau will use supposedly advanced predictive analysis techniques to recommend to stores whether or not to accept your debit card. The venture's computers will combine data from your full credit report with demographic and other data "mined" from various computer sources to generate a credit score. Of course, the result is still a credit report that may contain mistakes.

Credit Report Monitoring Services Offer Services That Should Be Free

Taking advantage of the mistakes they make on consumer credit reports, credit bureaus, banks and retailers have teamed up to create products that charge consumers a large fee for the "service" of allowing them to look at their own credit record and catch mistakes. Ads for the services use come-ons such as "People are looking at your credit report, are you?" or "Mistakes could cause denial." Among these services are "Credentials," an Experian-affiliated product that charges \$49 a year to send a credit report and a quarterly newsletter. Another credit report monitoring service, "PrivacyGuard," charges \$60 a year to provide consumers with a regular credit report and other personal records, such as medical records and driving history. Some of the banks selling "PrivacyGuard" do so through direct-mail data base companies that also allow those companies access to the consumer's financial history for marketing list purposes. These services are often re-packaged at slightly different prices with slightly different names by gas station and department store cards. Currently, PIRG is receiving complaints and inquiries from members about America On-Line, which is running one of its persistent (others might say obnoxious) pop-up-when-you-log-on "promotions" for a \$69/year version of the service.

All of these services provide products that consumers should get for free, although free credit reports on request are currently only mandated in six states. In other states, you can obtain your report for no more than \$8. Of course, since credit reports contain highly private financial information about consumers, can be generally sold without our permission or even knowledge, and are often highly inaccurate, PIRG contends that consumers should have the affirmative right to automatically receive a free copy of their credit reports annually. In 1997, legislation mandating the automatic provision of a credit report passed the Colorado State Senate. The final version of the law requires each of the Big 3 bureaus to send every credit-active consumer a notice of his or her credit report rights, including the new Colorado right to a free credit report annually on request.

Conclusion and Recommendations

While credit reports are a widely used tool that serves to reflect the financial health and competence of most Americans, they are not always accurate and sometimes are riddled with errors. Credit bureaus collect and sell information to banks, insurance companies, landlords, and many others without ever consulting the consumer to make sure information about them, which can affect their job, health, and home, is true. As this survey has shown, too often the information contained in those credit reports is mistaken and can have a devastating impact.

Credit bureaus have fought for years on a state and national level against attempts to increase the ability of consumers to access their personal credit information and ensure its accuracy. While federal and state credit reporting laws do now provide many consumers some protections, the laws are out-of-date and lack effective mechanisms for accuracy and enforcement. State legislatures, Congress, and the credit industry should take action to significantly strengthen every consumers' ability to monitor their credit record for errors, and to give those consumers tools to clean up mistakes when they are discovered. And consumers should know that the information contained in their credit report, while not always accurate, will always be vitally important to their financial future. Given that, all consumers should do everything possible to see that their credit report tells the truth, the whole truth, and nothing but the truth about them.

Recommendations For Policymakers

Improve consumer access to credit reports.

All consumers should have the "right to know" what credit bureaus are saying about them and the ability to inspect their personal credit report for accuracy without paying a fee for the privilege. Ideally, the "Big 3" credit bureaus should be required to automatically send consumers an annual free copy of their credit report. Minimally, all states should follow what six states (CO, GA, MD, MA, NJ, VT) have already done by granting consumers the right to receive one free annual copy of their credit report upon request. Also it should be required that consumers get an automatic copy of their credit report at their current address following any request for it, along with the detailed phone number and address of the requestor. All access provisions should cover all credit bureaus, not only the Big 3.

Increase accuracy standards to minimize mistakes. Duties of companies that furnish information to credit bureaus should be strengthened to require that furnishers follow the same kind of "reasonable procedures" to avoid errors that credit bureaus do. Current federal law subjects them to a much vaguer legal test.

Toughen enforcement of credit accuracy laws.

State and federal credit reporting laws should provide for \$1000 mandatory minimum statutory damages to consumers for violation for credit reporting laws by credit bureaus or furnishers, rather than the current requirement that consumers tediously prove actual damages in each complaint. Also, consumers should have a private right of action to sue furnishers of information for any pertinent violation of the FCRA, as they only have in Massachusetts and California.

Create credit scoring disclosure.

Consumers should be allowed access to credit scores and explanations as a part of their credit reports. Credit scoring models fail to account for the existence of disputed, erroneous or fraudulent information. Worse, instant credit offers generated from credit scores are a primary precursor to fraud and identity theft, yet the credit industry will not explain the credit scoring systems derived from credit reports that make instant credit possible.

Enforce the accessibility and readability laws.

In 1996, federal changes required that the Big 3 credit bureaus have toll-free numbers, adequate personnel to handle consumer inquiries, and readable reports. The Federal Trade Commission should investigate compliance with these provisions.

Recommendations For Consumers

Inspect your credit report regularly.

As your body needs a yearly physical, your financial health requires that you monitor your credit record by obtaining a copy of your credit report from each of the three major bureaus at least once a year. In six states (CO, GA, MA, MD, NJ, VT), or if you have been recently denied credit or are unemployed or homeless you may receive a free copy of your report annually, otherwise the cost is up to \$8 for each of the three bureaus. To order a credit report, call Experian (800) 682-7654, Equifax (800) 685-1111, Trans Union (800) 916-8800.

Dispute inaccurate information immediately.

You should tell a credit bureau, in writing, that your credit record contains inaccurate information immediately after discovering it. If the investigation by the credit bureau does not result in removal of the mistaken information within 30 days, you should consult an attorney and, in the meantime, ask the credit bureau to add a statement to your credit report disputing the inaccurate information.

Limit outside access to your credit report.

Consumers have the right to remove their name from some credit bureau lists that are sold to creditors and insurers for junk marketing mailings. By limiting inclusion on these lists, consumers limit their exposure to excessive and unwanted credit inquiries as well as to opportunities for credit fraud. To be removed from these lists, consumers need to call each of the credit bureaus and request a form for this purpose. The numbers are: Experian (800) 353-0809, Equifax (800) 556-4711, Trans Union (800) 680-7293.

Methodology of the Survey

This report looks at a representative sample of credit reports from across the country to see how common mistakes in credit reports are and what types of errors most often occur. Between December 24 and January 24, State PIRG staff and associates in 10 states and the District of Columbia requested the most recent copy of their credit report from one, two, or all three of the major credit bureaus (Experian, Equifax, and Trans Union). Credit reports were looked at in California, Colorado, Georgia, Illinois, Massachusetts, Maryland, New Jersey, Ohio, Oregon, Vermont, and Washington, D.C.

A total of 133 credit reports were obtained by 88 different consumers, each of whom filled out a separate survey form (Appendix A) to determine what, if any, errors were mistakenly on their credit record. 33 of the reports were from Experian, 49 were from Equifax, and 51 were from Trans Union. An additional 22 people requested credit reports, but they never arrived.