

United States Senate

Washington, DC 20510-1304

October 4, 2017

Paulino do Rego Barros, Jr.
Interim Chief Executive Officer
Equifax, Inc.
1550 Peachtree Street NE
Atlanta, GA 30309

Dear Mr. Barros:

I write to urge Equifax to provide consumers who may have had their personal and financial information compromised by the Equifax data breach with the ability to place or remove a credit freeze, without incurring fees, at all three major credit reporting agencies. Equifax should offer to pay all fees incurred by consumers for placing or removing a credit freeze at the other credit reporting agencies, and should reimburse consumers who have already paid such fees since the Equifax breach was announced. Enabling consumers to obtain a cost-free credit freeze across all credit reporting agencies is an essential next step to providing relief to the 145.5 million Americans, including 5.4 million residents of Illinois, who have seen their personal and financial identities compromised through no fault of their own as a result of Equifax's breach.¹

I understand that Equifax will begin implementing new measures to better assist consumers who may have been compromised by the breach, including extending the deadline for consumers to secure a freeze on their Equifax credit report at no cost, improving training for Equifax customer service representatives, and upgrading the company's website. While these efforts represent a step in the right direction, consumers seeking to protect themselves from the harm this Equifax breach has caused are deeply frustrated that they are being charged fees for placing and removing a security freeze on their credit reports at the other credit reporting agencies, Experian and Transunion. In Illinois, residents who want to place, temporarily lift, or remove a security freeze in the wake of this breach are currently subject to a \$10 fee for each respective action at the other two credit reporting agencies.² At a time when one-third of consumers report already struggling to make ends meet,³ innocent Americans should not have to bear the burden of these additional fees; Equifax should.

¹ Gail MarksJarvis, Becky Yerak, "5.4 million Illinois residents affected by massive Equifax data breach," *The Chicago Tribune*, September 11, 2017, available at <http://www.chicagotribune.com/business/ct-equifax-breach-update-0912-biz-20170911-story.html>.

² Illinois Code, Consumer Fraud and Deceptive Business Practices Act, available at <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2356&ChapterID=67>.

³ *Financial Well-Being In America*, Consumer Financial Protection Bureau, September 2017, available at http://files.consumerfinance.gov/f/documents/201709_cfpb_financial-well-being-in-America.pdf.

In the past, Equifax's record on protecting American consumers has been troubling. Since 2012, American consumers have registered over 65,000 complaints against Equifax with the Consumer Financial Protection Bureau.⁴ This past January, Equifax was ordered to pay \$3.8 million in restitution to consumers and \$2.5 million in civil penalties for deceiving consumers about how lenders use credit scores while luring them into expensive recurring payments just for checking their own credit score, something current law already mandates customers receive at no cost.⁵ It also has been widely reported that Equifax initially tried to steer consumers victimized by the breach into contracts with forced arbitration clauses that would have denied them the chance to seek redress in court.⁶ Moreover, until last week, Equifax had been directing some consumers with questions to a fake website with no connection to the company.⁷

I am encouraged by your acknowledgement that Equifax must change course and take immediate, meaningful steps to protect and assist American consumers who may have been harmed in the wake of this unprecedented data breach. This includes helping consumers protect their credit across all credit reporting agencies, not just Equifax. To this end, Equifax should pay the fees incurred by consumers who want to place or remove a security freeze on their credit report at the other major credit reporting agencies, including reimbursing those who have already paid such fees. Consumers deserve it, and with annual revenues exceeding \$3.1 billion in 2016 and a net profit of \$489 million, Equifax can afford it.⁸

Thank you for your prompt attention to this important matter.

Sincerely,



Richard J. Durbin
United States Senator

⁴ Consumer Complaint Database Search: September 29, 2017, Consumer Financial Protection Bureau, 29 September 2017, <https://data.consumerfinance.gov/dataset/Consumer-Complaints/s6ew-h6mp>.

⁵ CFPB Orders TransUnion and Equifax to Pay for Deceiving Consumers in Marketing Credit Scores and Credit Products, Consumer Financial Protection Bureau, January 3, 2017, available at <https://www.consumerfinance.gov/about-us/newsroom/cfpb-orders-transunion-and-equifax-pay-deceiving-consumers-marketing-credit-scores-and-credit-products>.

⁶ Liz Moyer, "Were you affected by the Equifax data breach? One click could cost you your rights in court" CNBC, September 8, 2017, available at <https://www.cnbc.com/2017/09/08/were-you-affected-by-the-equifax-data-breach-one-click-could-cost-you-your-rights-in-court.html>.

⁷ Maggie Astor, "Someone Made a Fake Equifax Site. Then Equifax Linked to It," *The New York Times*, September 20, 2017, available at <https://www.nytimes.com/2017/09/20/business/equifax-fake-website.html?mcubz=1&r=0>.

⁸ Equifax 2016 Annual Report to Shareholders, December 2016, available at <https://investor.equifax.com/~media/Files/E/Equifax-IR/Annual%20Reports/2016-annual-report.pdf>.