

Testimony of

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I appreciate the opportunity to appear here today to tell you about some of my experiences as a victim of identity theft.

On September 14, 1999, I received a credit card bill that changed my life--a bill that included charges for one convenience check for \$9600, three other cash advances totaling about \$2500, and a payment of \$8300. I was in shock, wanting to believe that there was an easy explanation for this bill--that the credit card company had sent me someone else's bill by mistake, or that someone had keyed in some numbers incorrectly.

But when I called the bank to report "the error", I found out that the charges were very real. Someone had stolen my renewal credit card from the mail before it reached me and had immediately called the credit card company with a change of address. During the conversation, this person also obtained information about other credit card accounts that I held at that same bank, and, using my social security number, convinced the customer service representative to open more accounts in my name. The only error with this bill was that it had been mailed to me at the "old" address instead of to the thief at the "new" address.

Today, I'm thankful for this error, as I found out early that I had become yet another victim of identity theft, a crime I had heard of but never thought of as happening to anyone I knew. I spent the next few months of my life, immersed in restoring my good credit and trying to educate those around me about how to lower the risk of this happening to them.

Over a period of six months, my credit reports showed that I moved almost every month, to four different "new" addresses--from Falls Church, VA to Brooklyn, NY to Seapointe, GA to Chicago, IL and Pleasanton, CA. The reports also showed me attempting and succeeding at opening several new credit card and bank accounts. And this was all AFTER I had placed a fraud alert on my file.

During those six months, I experienced many frustrations.

× There was no one there to help. Since the crimes all occurred in different states and jurisdictions from my residence, law enforcement agencies didn't help. Banks conducted investigations, but they didn't usually begin their investigations until four months to a year after the crimes occurred.

× Banks kept making mistakes, and no one seemed accountable for their actions. Once, a bank FedEx'ed a card to the fraudulent address after I had notified them of the fraud. On another occasion, the thief convinced a bank that I was the thief, even though I had lived at my address for 12 years and the thief had only been at her address for two weeks.

× I felt that, no matter how hard I tried, I was always a step behind. The only information I could receive about my crime I gleaned from my credit reports. And my thief was smart. By the time

that new information and addresses were posted to my reports, the thief (or thieves) had already moved on to another location.

× Banks refused to give me information about activity in my name. The bill that I actually received was the only specific information that I ever received about amounts, the kinds of purchases, etc. in my name. Banks refused to give me information since the cases were "under investigation".

I am grateful to hear of your discussions today about Senator Feinstein's bill (S. 1399) and Senator Cantwell's bill (S. 1742). There are provisions in these bills that I feel will help future identity theft victims:

? Granting the FTC authority to fine merchants for ignoring the fraud alert might make merchants be more careful about checking credit bureau files before issuing instant credit. It would certainly make them more accountable for the mistakes they make.

? Three of the provisions would let victims know of their identity theft early, and let them correct information with merchants before negative information is sent to the credit bureaus. There are (1) the requirement that credit card companies notify consumers when additional cards are requested on an existing account within 30 days of a change of address request, (2) the requirement for notification to be sent to both the new address and the former address, and (3) the requirement that the FTC issue rules requiring credit bureaus to investigate discrepancies between the credit card applicant's address and the records in its files.

? The requirement that businesses give identity theft victims copies of any documents (such as credit card applications) related to an identity theft would make it easier for a victim to protect himself.

I'll never forget the confusion and frustration I felt that day and have felt, to some extent, every day since the day I received that bill, the day I learned that I was a victim of a crime that feels, in many ways, like "financial cancer". Today, as far as I know, I'm "in remission" from this "cancer", but I cannot be sure that I'll ever be completely cured. The thief is probably still out there, unapprehended, with enough of my personal information in hand to destroy my credit all over again, at any time. And other potential thieves can easily access this information from Internet sites that sell personal information, including social security numbers.

In my case, I never learned who the thief was. What was more disturbing to me was that I don't believe anyone ever really tried to find the thief.

I applaud your efforts and urge your continued efforts to protect victims of identity theft. I am also grateful to the government agencies such as the FTC and the US Postal Inspection Service and to the media for working together to help educate citizens about how to reduce their risk of becoming victims and how to restore their credit if it should happen to them.