

The Alert

THE ALERT IS LEGAL AID'S NEWSLETTER FOR SENIORS

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Here Is How to Get Free Credit Reports and Why You Need to Get Them

Beginning March 1, Ohioans can get a free credit report annually from each of the three major credit reporting agencies.

You can do it by mail, using the form that is on the last page of this Alert.

Or you can do it by phone by calling this toll free number: 1-877-322-8228. This is an automated response number and you will be asked to enter information using your telephone keypad.

You also may request a credit report by visiting www.annualcreditreport.com.

To get a free report, you must go through

the central mailing address, phone number or website and NOT through the individual credit reporting companies.

Each person is entitled to receive a free credit report each year from each of the three major credit reporting companies: Equifax, Experian and TransUnion.

You can order all three reports at the same time. However, we suggest that you stagger your requests and get a report from a different company every four months or so.

That way you can keep tabs on any errors

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creeping into your credit report and you can track whether you might have become a victim of identity theft.

What does a credit report tell you?

It contains information on where you live, how you pay your bills, and whether you've been sued, arrested or filed for bankruptcy.

Credit reporting companies sell the information in your report to creditors, insurers, employers and other businesses that use it to evaluate your applications for credit, insurance, employment or renting a home.

It is on the basis of your credit report and, in some cases, your "credit score," that decisions are made on whether you can get a loan and how much interest you will be charged when you buy a home or car or obtain a loan. It may also be used to determine whether you will be welcomed as a tenant in a rental house or apartment and what kind of insurance you can buy at what price.

It is important that the information in your report is accurate because it can adversely affect your ability to get a job, or get any kind of loan with affordable terms and interest rates or get affordable housing.

Another important reason for checking your credit

reports is to help guard against identity theft.

Identify theft occurs when someone uses your personal information—your Social Security number, your name or your credit card or bank account number—to commit fraud.

The fraud most likely will be to open a new credit account in your name. The identify thief doesn't pay the credit card bills and the non-payments end up on your credit report.

As noted above, that

It is important that the information in your report is accurate because it can adversely affect your ability to get credit, a job or a loan or even rent an apartment.

inaccurate information can affect your ability to get a job, credit or insurance.

The free reports are available because of a change in a Federal law—the Fair Credit Reporting Act.

If you are on welfare, if you have been denied credit, insurance or employment because of adverse information in your report or if you are jobless and plan to look for a job within 60 days you have been able and continue to be able to get a free credit report.

Once you apply for a free credit report, you should generally get a response in about 15 days.

You will have to provide certain information to get the

report.

In addition to your name and address, you will have to provide your Social Security number and date of birth. If you order on line, you also may be asked to provide an additional bit of information that only you would know; for instance, the amount of your monthly mortgage payment.

Be aware that the national credit reporting agencies will not send e-mails asking for information. If you get such an e-mail, do not reply because it is probably a scam. Forward it to spam@uce.gov (the Federal Trade Commission's spam website).

Also do not respond to telephone requests for personal information that claim to come from the credit reporting agencies.

They will not be calling you unless they need to verify some information. If they want information from you, ask that the request be made in writing.

If you find errors in your credit reports, contact both the credit reporting company and the person, company or organization that provided the inaccurate or incomplete information. Make both contacts in writing.

In most situations, the credit reporting firm must investigate your complaint,

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usually within 30 days.

It is required to give you a written report and, if there is a change, a new copy of your credit report.

If the information is found to be inaccurate, the information provider may not report it again.

If your dispute is not resolved, you can ask that your statement of the dispute be included in your credit file.

Negative information in your file can be reported for seven or 10 years while reporting of some information has no time limit.

You should be aware that a credit report is different from your credit score. The score, however, is based on information in your credit reports.

There is a fee for obtaining a credit score.

You also should be aware that the three credit reporting firms' reports may contain different information at times.

Along with the availability of free credit reports, there has been an emergence of new offers to sell packages aimed at monitoring your credit report and/or providing you with identity theft insurance.

Some consumer advocates are less than enthusiastic about

the value of such monitoring services.

You can do your own monitoring by periodically reviewing your credit reports.

You may be able to avoid becoming the victim of identity theft by following some very simple rules.

They are listed on Page 6 of this Alert.

Be aware that not all identity theft occurs because of your own actions or failure to act.


For instance, recently identify thieves were reported to have acquired personal information about thousands of people from the files of a firm that collects such data.


Ask Lots of Questions; Make Sure You Get the Right Answers Before You Sign Any Home Improvement Contracts

There is something about the coming of Spring that makes us see all the things that are wrong with our houses or our furnishings.


The natural response is to want to do something about it.


Before you hire anyone to do work for you, there are some simple steps that you should follow.


 **Decide** on exactly what work you want done.

 **Call** your city hall or your county offices to find out if there is any financial help available. You may qualify for a low or no-interest loan or there may be a program that will pay for the improvements


you need, depending on your income.


 **Ask** your friends, relatives and neighbors for recommendations about finding a contractor to do the work.


 **Deal** only with contractors who are licensed to do business in your community and are bonded. Call city hall to find out if they are and check with the Better Business Bureau to find out if there have been complaints filed against them.


 **Stay away** from anyone who comes to your door offering to do work and claims to be


working in the neighborhood and offers you a too-good-to-be-true deal. You can be sure it **is** too good to be true.


 **Get** a written and detailed cost estimate from at least two contractors and preferably three contractors.


 **Make** sure that all the contractors are bidding on exactly the same things.


 **Get** references from the contractors of persons for whom they have done work.

 **Check out** each of the references and find out if they were satisfied with the work done for them.


 **Find out** how long the contractor has been in business and where its place of business is located.

 **Ask** if the contractor guarantees its work, how long the guarantee lasts and whether it will take care of any needed corrections. Also find out about warranties on any of the equipment or materials to be installed.


 **Get** everything spelled out in writing. That includes such details as what work will be done, the materials to be used, the cost of each item and the cost of labor, the payment schedule, guarantees and warranties, the date when the work will be started and the date it will be completed.


 **Make** sure that the contractor's phone number and address are on the contract.


 **Insist** that the contract be signed by the contractor's representative and that it gives you a reasonable time to cancel if you cannot get the financing you want. If you sign the contract at home, it should say that you have three business days (excluding Sundays and major holidays) to cancel the agreement


 **Get** your own financing. Avoid having the contractor or his mortgage broker get your

financing for you.

 **Avoid** getting a new mortgage on your house to do repairs. If you fail to repay the loan as agreed, you could lose your home. You also run the risk of getting a mortgage at an interest rate higher than your existing mortgage. Remember that you do not have to refinance an existing mortgage to finance new repairs.

 **Before you sign** either the contract for the work or the financing agreement take it to a lawyer or someone who knows about such things. If you don't know such a person, find a counselor in your area, by phoning the U.S. Department of Housing and Urban Development (HUD) toll free at 1-800-483-7342 or the department's automated toll free line at 1-800-569-4287 or call 216-522-4058, Ext. 7101. You also can check the website at www.hud.gov.

 **Get** help finding an FHA-approved lender and to get information about loan programs by calling HUD's consumer service center at 1-800-767-7468.

 **Never** pay for work up front. You may have to pay some portion for supplies, but never pay the entire bill until **all of the** work is done and you are satisfied with it.

 **Programs** to assist with financing and with advice are available through city halls and county offices. For instance, in the city of Cleveland there are Senior Homeowner Assistance Program (216-664-2833); Cleveland Action to Support Housing (216-621-7350); Home Weatherization Assistance Program (216-664-2045); Afford-A-Home to buy and repair a vacant house (216-664-4218); and Repair a Home (216-664-2045).

Elsewhere call your city or county office.

**Save up to \$150
on SBC Phone Bill**

SBC's Telephone Lifeline Program can save up to \$150 a year on phone bills for those who qualify.

Anyone with an income that is 150% of the poverty level or less can qualify.

It is possible to retain additional features such as call waiting and caller ID and still receive help with phone bills.

Only those served by SBC qualify.

To get a copy of the form for applying and to get more information, phone the Friendship Foundation at 216-651-6748 or 216-961-6005.

The Legal Aid Society of Cleveland offers free legal services to low-income seniors in Cuyahoga County.

INTAKE

You can complete an application for assistance by calling the Intake Line at 216-687-1900 or toll-free at 1-888-817-3777.

If you qualify for our services, we will either give you advice or educational materials to help you, schedule an appointment or refer you to a volunteer attorney.

If necessary, you may need to meet with an attorney. If you are unable to come to our downtown office at 1223 West Sixth Street, an attorney can arrange to meet you at a senior citizen center or some other office near your home.

SENIOR HELPLINE

If you are a senior and have a legal question for an attorney, you may call 216-687-1900 and ask for our Senior HelpLine on Tuesdays or Thursdays between 1 p.m. and 4 p.m.

VOLUNTEER ATTORNEY CLINICS

In collaboration with the Cleveland Bar Association, Legal Aid has developed Brief Advice and Referral Clinics that are staffed by volunteer private attorneys.

The next neighborhood clinics tentatively are set for April 2 and 30, 2005, at Martin de Porres Center at 1264 East 123d Street and April 9, 2005, at the West Side Catholic Center at 3135 Lorain Avenue. *Please call Legal Aid for more information.*

Watch for an announcement of an Elder Law Clinic at Cleveland City Hall on May 7, 2005.

For information or to make appointments outside Cuyahoga County, phone the offices listed below.

LAKE COUNTY

Lake-Geauga Legal Aid, 8 North State Street, Painesville, OH 44077
440-352-6200 or TOLL FREE 1-888-808-2800

LORAIN COUNTY

The Legal Aid Society of Lorain County, 538 West Broad Street, Elyria, OH 44035
440-323-8240 or TOLL FREE 1-800-444-7348

ASHTABULA COUNTY

Ashtabula County Legal Aid, 121 East Walnut, Jefferson, OH 44047
440-576-8120 or TOLL FREE 1-866-873-9665

Some Tips for Avoiding Identity Theft

Protect your Social Security number, credit card and debit card numbers, personal identification numbers (PINs), passwords and other personal information from strangers and from persons you invite into your home, such as workmen and housemates.

Never provide information about the above in response to an unsolicited phone call, fax, letter or e-mail—no matter how friendly or official the circumstances may appear. Banks do not call customers to get their account numbers. Banks have that.

Don't carry your Social Security card, credit cards, debit cards or blank checks with you unless you know you will need them that day.

Avoid printing your Social Security number, phone number or drivers license number on your checks.

Promptly pick up your mail to avoid having checks or credit card or bank statements sit in your mailbox. Used a locked mailbox, if possible. Ask your bank to have new checks delivered to your bank, instead of to your house. Deposit your mail, especially bill payments, in a U.S. Postal Service blue collection box. Putting up a flag on your mailbox to indicate you have outgoing mail is an invitation for a thief, according to an analyst for the Federal Deposit Insurance Corp.

Shred or tear into small bits anything you plan to discard if it has your Social Security, bank account information or other details that dumpster thieves can use to commit fraud.

Keep tabs on your credit reports and bank account and credit card statements to monitor for such things as missing payments or unauthorized withdrawals and unauthorized charges.

Call your credit card company if your new card hasn't arrived after your old one expired. Shred or tear any pre-approved credit card offers you get in the mail.

Turn off your computer when not in use. Hackers can still get into your computer as long as power is going to your PC. Better yet; install security protection.

Do not respond to or forward "phishing" e-mails such as alarms about viruses or messages about problems with your accounts that appear to be from banks or legitimate businesses. Delete suspicious e-mail without opening it. Delete chain mail.

If you are a victim of identity theft, immediately notify your police department, your bank, credit card company or other financial institutions that may need to know. Call each of the three credit reporting companies and put a fraud alert on your accounts. Call the Federal Trade Commission at 1-877-438-4338

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