

CONSUMER LAWS

Illinois and federal laws that help protect you as a consumer

MAY 2014



ILLINOIS GENERAL ASSEMBLY
LEGISLATIVE RESEARCH UNIT

JOINT COMMITTEE ON
LEGISLATIVE SUPPORT SERVICES

President of the Senate & Chairman	Sen. John J. Cullerton
Speaker of the House	Rep. Michael J. Madigan
House Republican Leader	Rep. Jim Durkin
Senate Republican Leader	Sen. Christine Radogno

LEGISLATIVE RESEARCH UNIT

Co-Chairperson	Sen. Pamela J. Althoff
Co-Chairperson	Vacant
Executive Director	Alan R. Kroner
Associate Director	Jonathan P. Wolff

Senators

Thomas Cullerton
Sam McCann
Julie A. Morrison
Jim Oberweis
Martin A. Sandoval

Representatives

Adam Brown
La Shawn K. Ford
Chad Hays
Barbara Wheeler
Vacant

The Legislative Research Unit is the central research agency for the General Assembly. A board of 12 legislators, appointed by the Joint Committee on Legislative Support Services, supervises its operations.

A staff of researchers handles inquiries from legislators, legislative committees, and partisan staff. The staff's areas of expertise include law generally, science and technology, taxation, education, local government, economics and fiscal affairs, and the political and social history of Illinois.

Legislative Research Unit
222 S. College, Suite 301
Springfield, Illinois 62704-1894
Phone: 217/782-6851
E-mail: lru@ilga.gov

Website: www.ilga.gov/commission/lru/lru_home.html

Cover note: photo by Kathleen Young

Consumer Laws

May 2014

Revised by Joshua Scanlon, Research Associate, and other members of the
LRU research staff

Proofing & cover design by Kathleen Young, Proofreader-Office Associate

Layout by Dianna Jones, Office Administrator

Publication 371

Introduction

This booklet tells about Illinois and federal laws that help protect you as a consumer. The laws are grouped by subject, using a question-and-answer format in most places. Subjects covered include false advertising, identity theft, automobile sales and repairs, collection agencies, credit cards, door-to-door selling, on-line buying, retail installment contracts, and repossession.

Numbered notes at the end of the booklet list each law described in the text. To get more information, you can use these endnotes to look up these laws at many public libraries. If you can't get the information there, your state legislator's office can help if given all the information in the note. The final section of the booklet, "For More Help," makes suggestions for places to go if you need to enforce rights described here.

Your best protection as a consumer is to shop wisely. This includes reading forms and disclosures before agreeing to anything. If you don't understand what a form says, take it to someone you trust who can explain it to you. This can often prevent a disappointing consumer experience.

Alan R. Kroner
Executive Director

Contents

Basic Information	1
Contracts	1
Telephone selling	2
Credit.....	3
Advertising	4
Bait and switch.....	4
Deceptive price advertising.....	5
Cars and Trucks	6
New-car sales	6
Odometer rollback	8
Repairs	9
Rentals.....	10
Collection Agencies	10
Credit Cards	12
Denial of application.....	12
Lost or stolen cards	13
Unauthorized charges.....	14
Interest rates	15
Credit Reporting Agencies	16
Old information.....	18
Examining credit files	19
Correcting errors	19

“Credit Service” Businesses	20
Identity Theft	21
Door-to-Door Sales Contracts	27
Home Repairs	28
Installment Sales	30
Return of down payment	30
Prepayment	30
Insurance	31
Acceleration	31
Ordering by Mail, Phone, or the Internet	32
Shipping time	32
Unordered merchandise	33
Repossession	33
Internet Scams and Safety	35
Protecting your passwords	37
Phishing	37
Malware	38
Spam	39
Technical Support Scams	40
The Internet and Children	41
For More Help	44

Basic Information

Contracts

A contract is a legal agreement in which the person(s) on each side promise to do some things for the person(s) (called “parties”) on the other side. A contract may be either oral or written; but a contract not in writing may be hard (or even impossible) to enforce.

In some situations an oral contract is unenforceable unless there is something in writing (which can be a note or memorandum referring to the oral agreement), signed by or on behalf of the party against whom the contract is sought to be enforced, indicating that it was made. The following kinds of contracts are in that category:

- A contract to buy something costing \$500 or more.¹
- A contract to buy real estate.²
- A contract that cannot be performed within 1 year;³

Before signing a written contract, read it carefully. Make sure that it explains exactly what the other party will do and what you must do. Even if a salesperson made promises to you, they may not be legally enforceable if you sign a contract that does not contain them. Never sign a contract if any part is unclear. If you do sign, always keep a copy of the contract.

It is also important to keep the promises you make in a contract. You may be required to do so even if the other party does not fulfill all promises made by that party. If you believe the other party has “breached” (broken) the contract by failing to fulfill obligations, you should speak with a lawyer before deciding not to fulfill your part of the contract.

Telephone selling



Photo by: News Oresund via Wikimedia

Many consumer problems involve telephone solicitors. You may get high-pressure calls from “telemarketers” (in many cases calling from other states). These people may want to sell you something, offer you an “investment” opportunity, or ask for a contribution for a claimed charity. The best rule is: *Never make an agreement with, send a check to, or give a credit-card number to a caller you don’t know personally.* Ask the caller to send written material explaining the offer or charity. If the caller says that the opportunity will soon end, that should make you suspect that the “opportunity” is only to fleece you. If the caller won’t give up, hang up.

Additionally, it is illegal for a business to send a postcard or letter asking an Illinois recipient to call a phone number so a sales pitch can be made, without disclosing that goods, services, or other merchandise may be offered for sale.⁴ Such requests can be ignored.

Under the Federal Trade Commission’s (FTC) Telemarketing Sales Rule, telemarketers are prohibited from calling except between 8 a.m. and 9 p.m. local time at a consumer’s location. They are also required to inform the persons they called of the seller’s identity; that the purpose of the call is to sell goods or services; the nature of the goods or services; and that no purchase or payment is required for prizes or similar promotions. Charities are similarly required to inform the called person of their identity, and that the purpose of the call is to solicit a donation.⁵

You can add your phone number to the national “Do Not Call” list at no charge. Many telemarketers and other sellers are prohibited from calling numbers on that list.⁶ Charities and companies with which you have done business in the last 18 months are

exempt;⁷ political organizations are not covered. But telemarketing firms are not exempt even if hired by exempt organizations or businesses.

You may register online at:

<https://www.donotcall.gov>

or by phone at (888) 382-1222 (TTY (866) 290-4236). Only your phone number will be part of the registry—not other identifying information. Your phone number will stay on the registry permanently unless your phone service is disconnected or you ask to be taken off the list.⁸ If you receive an unwanted telephone solicitation for any reason, you may ask that your name be put on that solicitor’s “Do Not Call” list. The solicitor must honor your request for 5 years.⁹

Credit

Credit is a way to buy things without having to pay for them immediately. It can be convenient if you don’t have the money to pay when buying. But it can also be a trap. Buying on credit is almost always more expensive than paying by check or cash. If you buy on credit often, you are likely to have less money in the future than if you had saved up to buy things. Also, buying on credit puts you at risk if you lose your job or other source of income. Thus it is best to use credit only as an occasional convenience, not a constant practice. Later sections of this publication have detailed information on some aspects of credit, such as credit reporting and use of credit cards.

Advertising

Bait and switch

Some businesses advertise a product at low prices, but once customers get in the store a salesperson discourages them from buying it by showing them a higher-priced one. Is this against the law?



Photo by: Moongateclimber via Wikimedia

A Federal Trade Commission (FTC) “industry guide” (which describes how businesses can avoid legal action under federal laws protecting consumers) on such advertising includes the following statements:

(a) No statement or illustration should be used in any advertisement which creates a false impression of the grade, quality, make, value, currency of model, size, color, usability, or origin of the product offered, or which may otherwise misrepresent the product in such a manner that later, on disclosure of the true facts, the purchaser may be switched from the advertised product to another.¹⁰

No act or practice should be engaged in by an advertiser to discourage the purchase of the advertised merchandise as part of a bait scheme to sell other merchandise.¹¹

“Bait and switch” advertising can be reported to the FTC at 55 W. Monroe Street, Suite 1825, Chicago, Illinois 60603. The FTC also maintains a “FTC Complaint Assistant” on its Website for consumers to communicate their concerns.¹²

Also, Illinois’ Consumer Fraud and Deceptive Business Practices Acts authorizes the Illinois Attorney General to investigate apparent violations of the Act.¹³ An official interpretation by the

Attorney General says it is an “unfair or deceptive act” under that Act for a seller to advertise merchandise unless the seller takes steps to have enough available to meet “reasonably anticipated consumer demand”—unless the seller advertised that the quantity is limited or that “restrictions apply” to the offer; is prevented from supplying expected demand by occurrences beyond its control; ordered enough of the product to fill expected demand; offers “rainchecks” to would-be buyers; or offers an equally good or better deal on an acceptable substitute or offers an equal percentage saving on a product of lesser value.¹⁴

Deceptive price advertising

Is it illegal for a store to raise the price of merchandise for a short time, then cut the price and advertise a “sale”?

The FTC considers this improper too. Its industry guide on sale prices says that for a “sale” price to be legitimate, the product must have been offered to the public at the higher price “on a regular basis for a reasonably substantial period of time.”¹⁵ The Illinois Attorney General’s standards for retail selling¹⁶ are similar but also allow the option that the seller made a “substantial” number of sales in the regular course of business at a price at least as high the regular price being quoted. If you suspect a violation, you can call the nearest office of the Attorney General, or submit a consumer complaint form found on the Attorney General’s Internet site.¹⁷

Another Illinois law requires any business, before holding a sale described by terms such as “going out of business” or “fire sale,” to get a special license from the local government, and prohibits issuance of such a license to a business (other than to sell salvaged or damaged goods) less than 1 year after a previous sale of that type.¹⁸

Can sales that advertise merchandise as “reduced from the manufacturer’s suggested list or retail price” be illegal?

The FTC says it is improper for a local seller to advertise merchandise as reduced from the suggested manufacturer’s list or retail price unless a number of major stores in the area regularly sell it at that price. On the other hand, a regional or nationwide distributor cannot check all local prices, and thus has more leeway in advertising a manufacturer’s price—provided it “does not appreciably exceed” the highest price at which the product is sold in the distributor’s selling area.¹⁹ By checking prices of several sellers before making a major purchase, you can determine whether a “sale” price is really a bargain. The Illinois Attorney General says it is an unfair or deceptive practice to state a list price along with a claim of savings unless the list price is offered by “a reasonable number of sellers” in the trade area.²⁰

Remember also that on major items, many sellers will give discounts from their regular prices if you bargain. For an item costing hundreds of dollars or more, it may pay to visit dealers and talk with them about prices, rather than merely checking advertisements or calling to get price quotations. Many online resources are now available for checking prices as well.

Cars and Trucks

New-car sales

What laws protect car buyers?



Photo by: John Lloyd via Wikimedia

The Illinois Attorney General has issued standards for automobile dealers under the Consumer Fraud and Deceptive Business Practices Act. They cover accuracy in advertising, including ad-

vertising of prices, sales terms, credit, and leases.²¹ If you think a dealer has provided false or misleading information in selling you a vehicle, the Attorney General can take your complaint and try to resolve it.

Illinois also has a so-called “lemon law” for buyers of (and persons leasing for at least 1 year) new cars that have excessive defects in the first 12 months or 12,000 miles, whichever comes first.²² If you have problems with a new car or light truck, you must first try to get it repaired under the warranty by an authorized dealer for the carmaker. The law states a presumption that a “reasonable number of attempts” at repair have been made if:

- (1) the authorized dealer(s) have been unsuccessful at repairing the problem after at least four attempts during the warranty period; or
- (2) the vehicle has been out of service for repairs for at least 30 business days during the warranty period.²³

If either of those things has occurred and the dealer is still unable to make the vehicle perform as warranted, you must then try any “informal settlement procedure” that the carmaker has provided (and of which the dealer has given you written notice).²⁴ Even if the carmaker has no such procedure, you must send written notice directly to it and give it a chance to correct the problem.²⁵ If neither the dealer nor the carmaker can correct the problem after a “reasonable number of attempts” as described above, the law says you are entitled to either a new vehicle or a refund (minus an allowance for your use of the vehicle).²⁶ Such a suit must be filed within 18 months after first delivery of the vehicle to you²⁷—although times during which your dispute was “pending” in an informal settlement procedure do not count toward those 18 months.²⁸

Odometer rollback

Is rolling back an odometer prohibited?

Both federal²⁹ and Illinois³⁰ law prohibit rolling back odometers. Each certificate of title issued by the Illinois Secretary of State has a place to certify the vehicle's odometer reading. Illinois law requires anyone transferring title to a motor vehicle to certify one of the following on its certificate of title:

- the odometer reading reflects the actual mileage to the best of the seller's knowledge;
- the actual mileage is over 99,999; or
- the odometer reading is not the actual mileage.³¹

How can I tell if an odometer has been rolled back?

Look for oil-change stickers on the car, usually on the driver's doorjamb or inside windshield. A dealer who alters an odometer may forget to remove an oil-change sticker, which usually shows the mileage when it was attached.

Check the tires. A car with low mileage will usually have all its original tires. If instead the tires are of mixed brands or types, there probably are many miles on the car.

You may also want to call the car's previous owner. If the seller will not disclose that person's name and address, that may be a warning sign.

What is the penalty for altering an odometer reading?

Federal and Illinois laws each authorize civil suits against violators. Both provide that any consumer who can prove violation

with intent to defraud can collect three times the amount of actual damages or \$1,500 (whichever is greater), plus reasonable attorney's fees and court costs.³² To recover under the federal law, you must file suit within 2 years after discovering a rollback.³³ Since odometer fraud is a crime in Illinois,³⁴ you can also report and seek to have it prosecuted.

Repairs

What is a dealer's responsibility to repair a used car?

If you buy a used car that is no more than 4 years old, the dealer must pay part of the cost of any repairs to a power-train component that are needed within 30 days after you receive it, unless:

- (1) the repairs are necessitated by abuse, negligence, or collision; or
- (2) the car was sold to you "as is with no warranty as to mechanical condition."

To avoid paying, the dealer must show that the problem was your fault. Power-train components include the engine block, head, all internal engine parts, oil pan and its gaskets, water pump, intake manifold, transmission, and all internal transmission parts, torque converter, drive shaft, universal joints, rear axle, all rear axle internal parts, and rear wheel bearings. The share of the cost that the dealer must pay is: 50% for a vehicle less than 2 years old; 25% for a vehicle 2 years old; 10% for a vehicle 3 years old; or none if the vehicle is at least 4 years old.

The vehicle's age is determined for this purpose by how much time has passed since January 1 of its model year as designated by the manufacturer.³⁵ For example, a 2011 model bought in

October 2013 would be a 2-year-old vehicle; on January 1, 2014 it would be 3 years old.

Rentals

Some car rental companies advertise low-priced rentals but charge much more with fees and taxes. What kinds of charges must such companies disclose in advance?

Car rental companies' advertisements and price quotes must disclose the entire rental fee—excluding taxes, mileage charges, and airport concession charges if any. But on request, they must provide an estimated daily rental rate including all such charges; they must notify renters that they can request such information.³⁶ A rental company offering a “collision damage waiver” (in effect short-term insurance, protecting you from liability to the company if you damage its vehicle in an accident) must disclose that it is optional,³⁷ and cannot charge for it unless you agree to it in writing either before or when signing the rental agreement.³⁸

Collection Agencies

May a collection agency contact my employer if I am late in paying bills?

A collection agency is prohibited from contacting your employer about a debt unless your payment is at least 30 days in default and notice is sent to you in writing at least 5 days before the contact.³⁹

May a collection agency call me at any time of day or night to collect a debt?

No. A collection agency can be disciplined under Illinois' Collection Agency Act for calling you or your family at home between 9 p.m. and 8 a.m. without permission from you or a court; or for repeatedly or continuously calling with intent to annoy, abuse, or harass you.⁴⁰

What other acts by an agency are prohibited?

The list of collection methods for which a collection agency can be disciplined includes:

- Threatening violence to you or your family or property.⁴¹
- Threatening to seize your property that can be taken legally only with a court order, unless the collector explains that court proceedings are required to take it.⁴²
- Releasing or threatening to release false information to hurt your credit reputation.⁴³
- Using profane, obscene, or abusive words in communicating with you or your family.⁴⁴
- Disclosing or threatening to disclose information about a debt to persons who have no legitimate business need for it, unless the disclosure is regulated by law.⁴⁵

May I refuse to communicate with a collection agency?

Yes. You can notify a collection agency in writing that you want to cease communication with the collection agency.⁴⁶ The collection agency cannot communicate with you after receiving such

written notice, except to do any of the following:

- To notify you that the agency's efforts to collect the debt are being cancelled.⁴⁷
- To notify you that the agency may invoke specified remedies (such as a lawsuit) ordinarily used by such a collection agency.⁴⁸
- To notify you that the agency is invoking a specified remedy ordinarily invoked by such a collection agency.⁴⁹

How much time do I have to dispute a reported debt?

Within 5 days after first communicating with you to collect a debt, a collection agency is to tell you that if you not dispute it for 30 days after getting notice of it, the collection agency will assume that it is valid. If you do dispute the debt, the collector must stop trying to collect until it is able to verify the debt and mail that information to you. The law adds that your failure to dispute a reported debt within those 30 days does not constitute an admission that you are liable for it.⁵⁰

Credit and Debit Cards

Denial of application

What is the law on denying credit-card applications?



Photo by: Reza Luke via Wikimedia

No person who properly applies can be denied a credit card due to race, color, religion, national origin, ancestry, age between 40 and 70, sex, marital status, physical or mental handicap unrelated

to ability to pay, or unfavorable military discharge.⁵¹ However, a credit card can be denied for failure to meet the card issuer's objective standards for creditworthiness. These usually include income, other current debts, and repayment record for earlier debts.

Lost or stolen credit card

My credit card was lost or stolen and someone else used it. Must I pay for those purchases?

If lost or stolen credit cards are used without authority, the most that you can legally be required to pay is \$50 per card. You should not have to pay for any unauthorized purchases that occur after you notify the issuer that the card is lost or stolen.⁵²

However, card thieves typically use up a card's credit limit within hours (or even minutes) after getting it—so you should be prepared to notify each card's issuer by phone immediately if it is stolen or disappears. It will help if you have a list of all your credit card account numbers (stored safely, since they can be used to make fraudulent purchases even without the physical cards) and phone numbers for notifying their issuers if a card is stolen or missing. If your card(s) get lost or stolen, call each issuer immediately; then confirm the notification in writing.

Many credit card issuers now offer credit monitoring programs that attempt to detect types or patterns of charges suggesting that an account has been compromised. If that happens, the account is frozen until the card issuer is satisfied that the charges are valid. Some card issuers allow cardholders to request e-mail or text alerts about suspicious activity. You should consider calling your card issuers before a major trip (especially abroad), to reduce the risk that a card account will be suspended due to unusual amounts and locations of charges.

Unauthorized charges

What should I do if a monthly statement shows charges I did not make, or does not show credit for returned merchandise?

Federal law says you should write a letter to the card issuer as soon as possible—and in any event within 60 days. The letter must give your name and account number; explain what you think is incorrect; and say why. You should include copies of all documents supporting your claim, such as receipts for returned merchandise. Send the letter to the address shown on your bill under “Send inquiries to:” or similar words. The card issuer must acknowledge your letter within 30 days. Within 90 days after getting your letter, the issuer must either correct the bill or explain why it believes the bill was correct. Until the matter is finally settled, you need not pay the disputed charge(s).⁵³

Save all your credit and debit card receipts. When each monthly statement arrives, check it against them to spot any errors.

What if my debit or ATM card is lost or stolen?

Notify the issuer immediately. If you report before any improper charges are made, your liability is \$0. If you report within 2 days, your liability is limited to \$50. If you report more than 2 days but less than 60 days after a statement showing unauthorized charges is sent, you can be liable for up to \$500. If you do not report within 60 days after the statement is sent, you can lose all money in the account to which the card gave thieves access. If your debit card number is used fraudulently but the card is not lost, you are not liable for any unauthorized charges that you report within 60 days after the statement is sent.⁵⁴

What are the differences between “credit” and “debit” uses of a card?

Many cards issued by banks let you choose to have a purchase processed as either a “credit” or a “debit” transaction.

If you choose the “credit” option, you normally must sign for the purchase (although some transactions may be exempt). The transaction will not appear on your account balance until the end of that business day or later. If the bank that issued the card offers any additional consumer protections, such extended warranties or rewards programs for credit card use, they will apply. Liability for fraudulent charges is the same as listed above for credit card transactions.

If you choose the “debit” option, you will usually be asked to enter your PIN (personal identification number)—although that may not be required at some places. The amount will be deducted from your account immediately. Debit purchases also enable you to withdraw funds from your account by getting “cash back” at stores that allow it.

Interest rates

How can I compare credit card interest rates and fees?

The federal Consumer Financial Protection Bureau surveys credit card plans twice yearly, and posts its results online. It contains a database of all surveyed credit card agreements, allowing users to look at information on card issuers by name, or use a search box to find specific information. This is helpful if you are considering competing offers. It also contains a survey of selected credit

card plans that lists rates, fees, and other plan information in a large table for comparison. This information is available at:

www.consumerfinance.gov/credit-cards/

by clicking on either the “Credit card agreements” or the “Survey of credit card plans” link. The Federal Reserve also has an Internet page that explains in detail the elements of a credit card offer, including fees, interest rates, billing cycles, and penalties. Another section explains the information in a monthly statement. This page is:

www.federalreserve.gov/creditcard/

Credit Reporting

Consumer reporting agencies (also called CRAs or credit reporting agencies) collect consumer credit information, evaluate it, and distribute reports on it to their customers (including lenders).⁵⁵ Three CRAs operate nationwide: Equifax, Experian, and TransUnion. If you have any current loans or accounts involving credit, each of those companies probably has information on you.

What information does a CRA gather and report?

Files kept by a CRA generally have a person’s name, age, residence, employment, and Social Security number; financial information such as income, bank accounts, property values (for a car or home), and debts; and character or reputation information, such as lawsuits, arrests, and convictions.

When can a CRA disclose my credit information?

Under the federal Fair Credit Reporting Act, a CRA can issue a report on a person in only these situations:

- By court order.
- At that person's written request.
- If the requester plans to use it to help determine eligibility for credit or insurance for personal, family, or household purposes.
- If the requester plans to use it for hiring, licensing, or other legitimate business purposes.
- For use in child support proceedings.
- For use by the Federal Deposit Insurance Corporation or National Credit Union Administration.⁵⁶

Under Illinois law, an employer may not obtain or use any report on an applicant's credit history for employment purposes, unless having a satisfactory credit history is a bona fide occupational requirement for the work. A satisfactory credit history is a bona fide requirement for a position if either (1) or (2) below is true:

(1) The position involves:

- custody or unsupervised access to cash or assets worth at least \$2,500;
- signatory power over business assets of at least \$100 per transaction; or

- access to personal, confidential, financial, trade secret, or state or national security information.
- (2) Any of the following is true:
- The position is managerial and involves directing or controlling a business.
 - State or federal law requires a bond or other security for a person holding the position.
 - A U.S. or Illinois Department of Labor regulation describes the kind of position as one for which credit history is a bona fide occupational requirement.
 - Credit history is otherwise required by federal or state law.⁵⁷

Old information

How long can a CRA report unfavorable information on me?

A CRA cannot report a bankruptcy after 10 years, or the following after 7 years: civil suits and judgments; arrest records; paid tax liens; accounts placed for collection or written off; or other adverse information, except records of criminal convictions. Other exceptions allow unfavorable information to be reported for unlimited amounts of time for use in connection with (a) borrowing at least \$150,000; (b) a life insurance policy of at least \$150,000; or (c) employment paying at least \$75,000 a year.⁵⁸

Examining credit files

Can I see the information in my credit file?

Upon your request and with proper identification,⁵⁹ a CRA must disclose to you all information in its file on you except any credit scores or ratings⁶⁰ (although the three nationwide CRAs do offer credit scores, sometimes for a fee). On request, the agency must also tell you about anyone who received a report on you for (a) employment purposes in the last 2 years or (b) any other purpose in the last year.⁶¹ An agency normally can charge a small fee to provide the information,⁶² but in some situations it must provide it without charge. A nationwide agency must provide one free report as often as once a year upon request.⁶³ Any agency, on request, must provide one free report for a 12-month period to a person who is unemployed and plans to apply for work within 60 days; is on public assistance; or has reason to believe that a credit file has inaccurate information due to fraud.⁶⁴ Reports requested within 60 days after you are notified that your credit rating may be adversely affected by a report, or that an action unfavorable to you has been taken based on a credit report, must also be without charge.⁶⁵

Correcting errors

What should I do if my credit file has incorrect information?

Inform the CRA. It must reinvestigate and delete any information that is false or cannot be verified. If reinvestigation does not resolve the dispute, you can put an explanation of the dispute in your file. Any reports issued later that contain the disputed information must note that the information is disputed, and include either your statement or a clear and accurate summary of

it. You can require the CRA to send the statement or summary to a prospective employer that got the disputed information in the last 2 years, or to any other entity that got the disputed information in the last 6 months.⁶⁶ The agency can charge you a “reasonable” fee for doing so—unless you make the request within 30 days after being told that your credit rating has been or will be adversely affected by the report.⁶⁷

To request your credit file, or dispute credit information as discussed above, contact these companies:

Equifax
P.O. Box 740241
Atlanta, GA 30374
(800) 685-1111
www.equifax.com

Experian
P.O. Box 2002
Allen, TX 75013
(888) 397-3742
www.experian.com

TransUnion
Two Baldwin Place
1510 Chester Pike
Crum Lynne, PA 19022
(800) 888-4213
www.transunion.com

Information on contacting these companies in the event of fraud, or to “freeze” your credit information, is in the “Identity Theft” section below.

“Credit Service” Businesses

A “credit service” business says it can improve the credit of people with credit problems. How can I find out whether any complaints have been filed against that business?

Contact the Illinois Attorney General’s office. Illinois law requires a credit service business to disclose all lawsuits or unresolved

complaints filed against it, in Illinois and other states.⁶⁸ The Attorney General's consumer hotline numbers are (800) 386-5438 (Chicago) and (800) 243-0618 (Springfield). Also, be sure to read and understand the contract offered by any such business before signing.

Can a "credit service" business improve my credit history?

They typically seek to do that by correcting errors in a report. But you can do that yourself at no charge, as described above.

The only other way to improve poor credit is to make all payments on time. This will gradually improve your credit history and credit score.

Identity Theft

What is identity theft? What can I do if it happens to me?

Identity theft is unauthorized use of your information—such as your name plus your birthdate, Social Security number, and/or account number(s)—to commit fraud or theft. Identity thieves may set up cellphone, credit card, or bank accounts in your name, or change the mailing address on your accounts so they can run up charges without your knowledge.

Some warning signs of identity theft include failing to receive bills or other mail; receiving credit cards for which you did not apply; being denied credit for no apparent reason; or getting calls or letters from debt collectors about merchandise you did not buy.

If you suspect that you are a victim of identity theft, call the Illinois Attorney General's Identity Theft Hotline at (866) 999-5630 (TTY: (877) 844-5461). It has several resources, including trained advocates to help you take the following steps:⁶⁹

1. Contact the creditors involved (such as credit card issuers) to report fraud and check whether any new accounts have been opened in your name or any more unauthorized charges made. Close fraudulent accounts. If you set up new accounts, create completely new Personal Identification Numbers (PINs) and passwords for them.
2. Place a fraud alert on your credit report, and order a free copy of your credit report by contacting at least one of the following three consumer reporting agencies (CRAs): Equifax, (800) 525-6285; Experian, (888) 397-3742; Trans-Union, (800) 680-7289. The CRA you contact is required to notify the other two of the fraud alert.⁷⁰
3. File a report with your local police. Illinois law requires police departments to accept and provide copies of identity theft reports.⁷¹ Get a copy of the report and keep it in case your bank, credit card company, or other financial services provider asks for it.
4. Consider putting a security freeze on your credit. A security freeze prohibits release of your credit report to prospective lenders without your authorization. (If you later want to apply for new credit, you can unfreeze your credit temporarily for that lender, using a passcode known only to you and the CRA.) If you are a victim of identity theft, or are at least 65, you can get a security freeze at no charge. Any other Illinois resident can get a security freeze for a fee, which cannot exceed \$10.⁷² For a freeze to be fully effective, requests must be made to all three national CRAs. If you are an

identity theft victim, include a copy of the police report with your request. Send requests by certified mail to the following addresses:

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

TransUnion LLC
P.O. Box 6790
Fullerton, CA 92834-6790

You must provide your full name, address, Social Security number, and date of birth. Provide all of the addresses where you have lived during the prior 5 years, and proof of current residence (such as a current utility or phone bill). You must also send a photocopy of a government-issued identification card. Include payment, if needed, by check, money order, or credit card.

Those CRAs also have information on making security freeze requests at the following Web pages:

https://help.equifax.com/app/answers/detail/a_id/159

<http://www.experian.com/consumer/help/states/il.html>

<http://www.transunion.com/personal-credit/customer-support/faqs/fraud-identity-theft.page>

5. Stay informed by requesting a copy of your credit report from one of the three CRAs every 4 months (once a year per CRA). You can get free reports using this Website:

<http://www.annualcreditreport.com>

or by calling (877) 322-8228.

How can I prevent identity theft?

The Illinois Attorney General recommends taking steps such as the following to protect against identity theft:

- When choosing passwords or PINs, avoid using information that identity thieves could find online (such as your mother's maiden name, or the birthdate of you or a family member).
- Ask your employer, and businesses or institutions that collect your personal information, about their information security measures. If many people raise the issue, organizations will take notice.
- Do not provide personal information (including your birthdate), or information related to a financial or other account, by phone, mail, or the Internet without knowing who is getting it.

Knowing who is getting the information *should* not be an issue if you are face-to-face with someone you know, or are on the premises of an organization and give the information to an employee whose duties include taking that information. In other situations, a good (although not foolproof) way to know who you are dealing with is to initiate contact with the person or institution that seeks the information (at a phone number or Internet address that you know belongs to the person or institution), and then provide the information during that communication.

Don't click on a link in an e-mail message that appears to be from an institution asking for your information. Instead, carefully type the organization's main Internet address into your browser to connect with its Website. Messages that seem to be from institutions seeking your personal information may be "phishing" attempts, containing links to fraudulent sites designed to get you

to disclose your information (especially passwords). See the discussion of computer security below.

- Deposit outgoing mail only in an official collection box or inside a post office, and promptly remove your mail from your home mailbox. If you will be away, visit www.usps.com or call (800) 275-8777 to request a vacation hold.
- Dispose of trash containing personal information carefully by tearing (or preferably shredding) it.
- Do not carry your Social Security card. Ask to use identifying information other than a Social Security number when possible.⁷³

Steps to protect personal information stored on your computer, tablet, smartphone, or similar device include:

- Use regularly updated software to protect against viruses, spyware, and other malware. Also use a firewall (included in some computer operating systems, or available separately).
- Be very careful about opening attachments in e-mail messages—even if the messages seem to be from people you know. Many malicious files are forwarded by computers that have been compromised by malware, and/or sent through their owners' e-mail accounts, without the owners' knowledge. Opening an attachment could load “spyware” on your computer, which would capture confidential information (including passwords) that you type and forward it to Internet criminals. If you have any doubt about whether a person you know sent you a message containing an attachment, call or e-mail the person and ask for confirmation. Do not open the attachment unless you are satisfied that the person really sent

it—and was not forwarding it from another source, in which case it may contain spyware or other malware.

You should be highly suspicious of any message—even from the e-mail account of someone you know—whose subject line is “[no subject]” or something vague like “Hi” or “You’ve got to see this”—and doubly so if the message contains no text, but only a link to a Website. Such messages are almost always from rogue software that has compromised other users’ computers or e-mail accounts. Never open such a link unless you ask for and get explicit confirmation that the purported sender actually sent it. (Even then, if that person was forwarding an e-mail message from someone else, it may put malware on your computer.)

- Use a secure browser that encrypts information you send over the Internet, to guard online transactions. When submitting information, look for a “lock” icon on the browser’s status bar to make certain your information is secure.
- Avoid storing financial or other confidential information on a laptop, tablet, or other mobile computer, or phone, since it could easily be lost or stolen. If you must do so, use strong (long and complex) passwords—and keep them stored safely, far from the device.
- Erase all personal information from any computer, smartphone, or other device before you dispose of it—even for recycling. Merely moving a file to the “recycling bin” or “trash” does not erase it. You will need to download commercially available software that can erase files securely, unless your device’s operating system has that capability.⁷⁴

Door-to-Door Sales Contracts

If somebody comes to my home and sells me something on credit, can I cancel?



Photo by: Molly Theobald via Wikimedia

If a seller, at your home, gets you to sign a contract to buy, lease, or rent merchandise for which you are to pay at least \$25, you can cancel the contract for 3 business days after the day you sign it. The law requires the seller to attach a written notice of this right to each such contract. The 3-day period does not start until you get such a notice. To cancel, you must detach, sign, and return the notice within 3 business days. You must also make available to the seller, within 10 business days, any merchandise you received under the contract, in “substantially” the condition in which you got it. You can either make it available for pickup at your residence, or (if the seller so requests and you choose to comply), ship it back at the seller’s expense. If the seller does not pick up the merchandise within 20 days after your cancellation, you can keep it or dispose of it as you wish.⁷⁵

If a seller violates this law, you can file a complaint by calling the Federal Trade Commission Consumer Response Center listed below in the “For More Help” section.

Home Repairs

Is there a law on home repair fraud?

Yes. A person who agrees to make repairs to a home violates the law by doing any of the following:



Photo by: David Fine/FEMA via Wikimedia

- Misrepresenting the terms of the agreement or the condition of the property; creating or confirming an impression that is false and that the repairer believes to be false; or promising to do something without intending to do it, or knowing that it will not be done.
- Using deception, false pretenses, or false promises to induce, encourage, or solicit a person to make a contract or agreement.
- Making an unconscionable agreement for payment of at least \$4,000. An agreement is “unconscionable” for this purpose if the amount charged is at least 4 times the fair market value of the materials and work.
- Concealing the repairer’s real name, business name, or business address.⁷⁶

A person who does any of the following also violates the law:

- Damages property to obtain an agreement to repair it.
- Pretends to be a governmental or utility employee to cause a person to sign a contract for home repairs.⁷⁷

Violation is punishable by up to 5 years in prison and/or a \$25,000 fine.⁷⁸ Violations against persons at least 60 years old, or disabled, are punishable by up to 7 years and/or a \$25,000 fine.⁷⁹ If you or someone you know is defrauded, contact the state's attorney for the county where the person lives or the nearest office of the Illinois Attorney General. If the defrauder still has assets, you may also be able to recover damages in a civil suit.

How can I avoid home repair fraud?

The Illinois Attorney General makes the following recommendations on what to do to avoid home repair fraud:

- Do not open your door to contractors or salespeople unless you asked them to visit.
- Get at least three written estimates.
- Check the contractor's background, references, and past work.
- Never sign a contract you do not understand, or containing a blank space.
- Report a scam to the Attorney General's Office.
- Contact the Attorney General, Better Business Bureau, or your local Chamber of Commerce for information (see the section below headed "For More Help").⁸⁰

Installment Sales



Photo by: Ad Huikeshoven via Wikimedia

An installment sale is one in which the cost will be paid in periodic installments. The installments may include (in addition to the price) interest, fees, and taxes.⁸¹ A contract, signed and dated by both parties, must state the total cost of payments, the number of payments, itemized charges, and other essential provisions.⁸²

Return of Downpayment

I bought something on installment, but the seller required a downpayment to hold it pending a credit check. If the seller does not approve my credit, can I get back all of my down payment?

The seller must return the downpayment. It is illegal to keep any part of a downpayment as a fee for a credit check.⁸³

Prepayment

Can I save by paying off an installment contract before it is due?

Yes. You will be credited with approximately the interest you would have paid under the rest of the contract, minus \$25. A finance company is allowed to keep \$25 for its costs in buying your contract from the seller.⁸⁴

Insurance

Must I buy insurance to protect against loss of goods I buy on installment?

A seller under a retail installment contract or charge agreement can require the buyer to have insurance to protect the goods against substantial risk of loss or damage. The buyer can choose the insurance company, but in that case can be required to give the seller satisfactory evidence of insurance before taking possession.⁸⁵

When I got a car loan, I also bought credit life and credit disability insurance to continue payments if something happened to me. Can I get a partial refund of these premiums if I prepay the loan?

You normally are entitled to a partial refund. Contact the seller of your credit life or credit disability insurance. If the vehicle dealer financed the loan, contact the dealer.⁸⁶

Acceleration of maturity

If I am behind on my payments, can the seller accelerate the contract and demand full payment?

An installment contract that provides for such acceleration is enforceable if the buyer has been in default at least 30 days or has abandoned or destroyed the property, or the seller reasonably believes that the buyer is about to leave the state. But provisions allowing acceleration on an arbitrary basis, without any default by the buyer, are not enforceable.⁸⁷

Ordering by Mail, Phone, or the Internet

Shipping time

If I buy something from a nonlocal seller, how soon must it be shipped?

Under a Federal Trade Commission regulation, a company selling by mail or telephone (which the FTC says includes Internet orders)⁸⁸ is to ship the goods within its advertised time period—or, if it does not advertise one, within 30 days (50 if you applied for credit on the order) after getting the order. If shipment cannot be made by then, the company must tell you and give you the option of either cancelling and taking a refund, or consenting to the delay and a new shipping date. If the new shipping date is within 30 days after the first one, the order will be shipped unless you cancel it before shipping. If the new shipping date is indefinite, or more than 30 days after the first one, then unless you consent to the delay within 30 days after the original shipping date, the order will be cancelled and your money refunded. The seller can seek your consent to possible future delays; but if you consent, you still have a right to cancel and get a refund at any time before shipping. The seller can also choose to cancel and refund your money if it is unable to ship within the original time or any longer period to which you consented. The 30-day rule does not apply to magazine subscriptions after the first issue arrives; seeds and growing plants; or C.O.D. orders.⁸⁹

What should I do if I don't get ordered merchandise, or hear from the company, within 30 days?

Inform your local post office; visit the “www.ftc.gov/complaint” Website; or call the FTC Help Line at (877) 382-4357.

Unordered Merchandise

Must I pay for or return merchandise sent to me if I did not ask for it?

If goods that you did not order, solicit, or agree to buy are intentionally sent to you (not mistakenly sent to you instead of an intended recipient), you do not need to pay for them or return them. They are legally a gift and you can use or discard them.⁹⁰

Repossession

When can my car (or other property) be repossessed?

When you use a piece of property (such as a car or other vehicle) as security for a loan, the property is “collateral” for the loan. The same is true if you buy something on installments. Until you pay off the loan or installments, the lender has a “security interest” in the property and can take it if you fail to make payments.⁹¹



Photo by: Ruben de Rijke via Wikimedia

Who is allowed to repossess property?

A repossession agency and its employees must be licensed by the Illinois Commerce Commission to repossess property. This requirement does not apply to direct employees of a creditor who repossess property, or towing companies acting for a creditor if an employee of the creditor is present.⁹² A creditor may directly repossess property if it has a valid security interest in the property and it does not breach the peace when repossessing.⁹³

What happens to personal effects left in my vehicle?

Repossession agencies are required to inventory any property found in a vehicle if the creditor does not have a security interest in that property. Within 5 days after repossession, the agency must notify you by certified mail of the property inventoried. The agency must also notify you of its intent to dispose of the property at least 45 days before doing so. If you do not claim it within those 45 days, the agency may dispose of it.⁹⁴ Creditors whose employees directly repossess a vehicle are required to notify you of intent to dispose of the vehicle.⁹⁵ Illinois law does not give such a creditor a legal right to property (such as a vehicle's contents) in which it has no security interest,⁹⁶ but the law does not specify a particular procedure for the owner of such property to get it back.

If my car is repossessed, must I still pay for it?

If the lender legally repossesses and resells a vehicle, the proceeds of resale go first to pay any repossession costs (including legal expenses), and then to pay what you owe. If that is not enough to pay the remaining debt in full, you are responsible for the rest. If a sale brings in more money than you owe, any excess belongs to you.⁹⁷

How can I get my car back?

There are two ways to get your car back in Illinois. The first is to redeem it by paying the full amount owing on the loan or contract plus all penalties and reasonable expenses of repossession.⁹⁸ For a vehicle, the creditor must notify you at least 21 days before disposal of its intent to dispose and of your right to redeem the vehicle under these terms.⁹⁹

The second way is to reinstate the contract under the Illinois Vehicle Code. If your vehicle is repossessed after you have paid at least 30% of the deferred payment price (or of the total payments due), you can reinstate the contract within 21 days after repossession. You can do this by paying all unpaid amounts, including penalties, that are due; paying all reasonable costs of repossession, storage, and preparation for sale; and performing any other terms defaulted on.¹⁰⁰ This essentially allows you to make your payments current, regain your interest in the vehicle, and be in the same position in relation to the lender as if you had not defaulted.

Internet Scams and Safety



Services provided through the Internet, including e-mail, chat rooms, and social networking sites among others, offer many opportunities for scammers, hackers, and identity thieves. Users need to protect their computers and mobile devices, personal information, and online files.

General Computer Security

Online thieves are constantly trying to steal your personal information—and your money. The following are steps you can take to protect yourself:

- (1) Use security software that updates automatically.

Security software must be up-to-date to protect against the latest threats. Most security programs can be set to update automatically. Do that. Free security programs are available from some

companies. Remember to keep your computer operating system (such as Windows or Mac OS X) and Web browsers (such as Internet Explorer, Safari, Firefox, or Chrome) up-to-date also.

Never buy or download a security program in response to an unexpected pop-up advertisement or e-mail message—especially those that claim to have scanned your computer and found problems. Such “security” programs are usually frauds that will put spyware or other rogue programs on your computer.

(2) Treat all personal information like money.

A Social Security number, credit card number, or bank and/or a utility account number can be used to steal money or open new accounts in your name. Every time you are asked for personal information—on a Web form, e-mail or text message, or other electronic communication—think about whether you can trust the request.

(3) Check out on-line companies.

A little research might save you a lot of money. If you find bad reviews and little or no contact information, you may want to take your business elsewhere.

Never assume that an advertisement—even on a reputable Internet site—is trustworthy. The fact that a site posts an ad for another site does not mean that it endorses that site or is even familiar with it.

(4) Give out personal information to a site only if it is using encryption.

When shopping or banking, stick to Websites that use encryption to provide data security. Look for “https” (the “s” is for “secure”) at the beginning of the Web address.

Beware of sites that use encryption on only the sign-in page. If later pages are not encrypted, your account could be vulnerable. Look for “https” at the beginning of the Web address of every page where personal information is entered or transmitted.

Protect your passwords

Use long passwords—at least 10 to 12 characters. Mix letters, numbers, and other characters such as punctuation marks (if allowed by the site) in them. Do not include in a password your name, birthdate, or any word found in dictionaries; that makes it much easier for cybercriminals to guess.

It is also wise not to use the same password on multiple accounts or sites. If it is stolen from you—or from a company with which you do business—it could be used to take over other accounts that you use.¹⁰¹

Phishing

Online phishing is a way to trick users into revealing personal or financial information—often through a fraudulent e-mail message or Website. The senders are “phishing” (fishing) for your information so they can use it to commit fraud.

How can I detect that an e-mail is a phishing message?

A phishing scam often uses an e-mail message that claims to be an official notice from a trusted source such as a bank, credit card company, or other firm with which you do business. Such a message may claim that there is a problem with your account, and

tell you to click on a link to log in to the company's Website (by providing your username and password). Clicking may take you to a fraudulent Website that will steal that information for use by criminals.¹⁰²

What do I do if I notice a phishing message?

Do not reply to e-mail, text, or pop-up messages that ask for your personal or financial information. Do not click on links in them either—even in a message that appears to be from an organization you trust. Legitimate businesses don't ask you to send sensitive information using insecure channels such as e-mail. Finally, report suspected phishing e-mails to the company, bank, or other organization that purportedly sent them.¹⁰³

Illinois' Anti-Phishing Act prohibits using the Internet in any way (including using a Website or e-mail message) to try to obtain identifying information from anyone by claiming to be a business, without authority or approval from that business.¹⁰⁴ But remember that phishing messages may come from other countries and be difficult or impossible to prosecute under Illinois or federal laws.

Malware

Malware (malicious software) includes any software installed on a computer that performs unwanted tasks, often for a third party's benefit. Categories of malware include viruses, worms, Trojan horses, and spyware. Effects of malware can range from simple annoyance (pop-up ads) to serious computer invasion and damage, and theft of your sensitive information such as passwords. It can cause your computer to crash or become inoperable, and can be used to monitor and control your activity online.

It is another way that criminals can steal personal information and commit fraud.¹⁰⁵

How do I avoid malware?

Steps to avoid malware are similar to the general computer security tips outlined previously. Use security software, and keep it updated. Don't click on links, or open attachments, in e-mail messages that are unsolicited or from unknown sources. Download and install software only from known and trusted Websites. Use browser security settings to detect and prevent unauthorized downloads. Use a pop-up blocker, and don't click on links in pop-up advertisements. Don't buy software in response to unexpected pop-up or e-mail messages—especially those that claim to have detected problems on your computer.

Even if you do all those things, you are not completely immune to getting malware on your computer. So you should also follow a good backup routine for all important files and other data in it, so you can restore them if they are changed or erased, or the computer becomes inoperable.¹⁰⁶

Spam

The word “spam” (not capitalized) is commonly used to describe commercial e-mail that typically is sent to a large number of persons without their request or permission.¹⁰⁷

Is “spam” dangerous to my computer or personal information?

E-mailed spam is more than an annoyance. It can include phony offers that could cost you time and money, and may also bring malware into your computer. You can take steps to limit the

amount of spam you get. Many e-mail providers have tools to block suspected spam, or redirect it to a “junk” or “bulk” e-mail folder for you to check periodically. Try not to give your e-mail address on blog posts, chat rooms, social networking sites, or on-line membership directories. Spammers use such sites to gather e-mail addresses.

Also, before giving your e-mail address to a Website, check its posted privacy policy. If that policy allows it to sell your address, you may decide not to provide it. If the site requires an e-mail address to do business with you, one option is to create a separate e-mail account and use it mostly to do business with such sites. But if you do that for an entity with which you do financial business (such as a bank or online payments provider), be sure to use a strong password for the e-mail account (as with any e-mail account), and check it regularly for messages. The reason is that if Internet thieves try to change anything in your account with the financial entity (such as a password, or your bank account number), the financial entity will likely send you an e-mail notice of the change. If your alternative e-mail account is safe from takeover and you check it often, such a message will alert you to criminal activity in your financial account.

You should treat spam offers the same way as uninvited telemarketing calls—be skeptical of all offers and promises from strangers.¹⁰⁸

“Technical Support” Scams

Computer scams related to technical support services rely on finding computer owners who are concerned about viruses and other threats. Scammers contact computer users by phone or e-mail, claiming to be computer technicians for a well-known (or

at least real-sounding) software company. They say that they have detected viruses or other malware on your computer. They do that to trick you into giving them remote access to your computer or paying for software of doubtful value.

How do I identify technical support scams?

A caller who suggests urgency, and/or uses high-pressure tactics, likely is a scammer. The caller may ask you to go to your computer and change settings to enable the caller to control it. In most cases the software offered is either worthless or available elsewhere at no charge. At worst, it can be destructive malware or software designed to give scammers access to your computer and personal information. Never disclose a password by phone. Reputable organizations do not send unsolicited calls or e-mail messages seeking passwords or other personal information.¹⁰⁹

The Internet and Children

Children can be exposed to material and conduct not appropriate for them in Internet venues including chat rooms, social networking sites, other Websites, and e-mail and instant messaging. Worse, online predators pose significant dangers to children's privacy and even safety. The anonymous nature of the Internet makes it easy for criminals to misrepresent themselves and manipulate or trick users who are accustomed to trusting other people. Even adults often fall victim to their ploys; children make still easier targets. Another growing problem is cyberbullying.¹¹⁰

How can my children avoid becoming victims?

There are several steps that children should follow to promote safe and responsible Internet use:

- Never give out personal information, such as an address, phone number, or your school's name or location, without permission from a parent.
- If something online makes you uncomfortable or uneasy, tell a parent. Do not reply to a message that makes you uncomfortable.
- Do not arrange to meet an online "friend" alone. If a meeting is arranged with parental approval, it should be in a public place and a parent should be present.
- Do not send pictures of yourself to anyone without parental permission.
- Choose a screen name that does not give away personal information.
- Obey your family rules on computer and Internet use.
- Keep in mind that people may not be who they say they are online.¹¹¹

What can adults do to protect children from Internet dangers?

Parents, and adults in supervisory roles involving children (such as teachers), should take active roles in supervising their online activities:

- If practical, keep any computer to which children have access by password or otherwise in a room other than the child's

room, with people frequently passing through, so adults can monitor times of use and material viewed.

- Develop and enforce rules on computer use.
- Learn the functions and capabilities of the software that your child uses.
- Be aware of Internet sites that children are visiting. Consider using blocking or screening services to protect children that may be available through your Internet Service Provider (ISP) and are available from companies specializing in such protection.
- Ask and learn about the people your children meet online. Discuss children's online experiences just as you would ask them about their day.
- Spend time with your children while they are online. Observe their online practices first-hand. Set a good example for children with your online habits and behavior.¹¹²

Laws on Children and Internet Safety

Federal and Illinois laws seek to promote Internet safety and protect the privacy of children. The first three laws described below are federal.

The Children's Online Privacy Protection Act of 1998 regulates Internet sites' collection of personal information from persons under 13. It imposes requirements on Website operators and online providers of services for children, and other Website operators that have knowledge that they have collected information from children. Those companies must provide notice of their privacy policies; obtain verifiable parental consent before collecting personal information from children; allow parents to examine

and delete personal information that their children have provided; and establish and maintain reasonable procedures to protect the security of personal information collected from children.¹¹³

The Children's Internet Protection Act requires schools and libraries to use Internet filtering technology and other measures to protect children from harmful online content as a condition of getting some federal funds.¹¹⁴

The Protecting Children in the 21st Century Act requires the Federal Trade Commission to have a nationwide public awareness program and to provide education on strategies to promote safe Internet use by children.¹¹⁵

Illinois' Online Child Safety Act requires each Internet Service Provider to offer parental controls allowing parents to do at least one of the following (at the provider's choosing):

- (1) Block children's access to specific sites, or to a category of sites ('blacklist').
- (2) Limit children's access to sites, or a category of sites, of which the subscriber approves ('whitelist').¹¹⁶

Illinois' School Code provides for annual, age-appropriate Internet safety instruction in grades 3-12.¹¹⁷

For More Help

If you have a problem with a business, first go to it and ask it to resolve the problem. Legitimate businesses want their customers happy; they want you to come back. If someone treats you badly, complain to the boss. Insist on your rights. If the problem

isn't resolved, try writing to the company headquarters. Explain exactly what the problem is, and include photocopies of any documents involved. If that does not work, try one of these sources depending on the nature of the problem:

Better Business Bureau

Call the Better Business Bureau (BBB) in your locality. BBB are associations of businesses that pay dues to support a staff of people who try to keep all businesses honest. Although a BBB cannot force a business to do anything, it can formally notify a business of a complaint and ask for an explanation. Some businesses settle disputes quickly so complaints will not become part of their permanent file at the BBB. Illinois has several local or area BBBs, which can be found at:

<http://heartofillinois.bbb.org/find-a-bbb/>

Contact information on the Chicago and Central Illinois BBBs is:

BBB of Central Illinois
112 Harrison Street
Peoria, Illinois 61602
(309) 681-3741
bbb@hoibbb.org
<http://heartofillinois.bbb.org/>

BBB of Chicago & Northern Illinois
330 N. Wabash, Suite 3120
Chicago, Illinois 60611
(312) 832-0500
bbbinfo@chicago.bbb.org
<http://chicago.bbb.org/>

Third-party dispute resolution programs

Several industries have set up programs to help resolve disputes between consumers and manufacturers. If you have contacted the seller and then the manufacturer of a product without success, one of these programs may help. Check the information on warranties and service that came with the product to see whether it lists such a program.

Local media

If you have a problem with a local business, you may be able to get help from a local newspaper or TV or radio station. Some have services with names such as Action Line, Call for Action, or Consumer Corner that try to resolve consumer complaints.

Illinois Attorney General

The Illinois Attorney General's office handles complaints of violations of Illinois consumer-protection laws. The three main offices can be contacted at:

500 South Second Street
Springfield, Illinois 62706
(217) 782-1090

100 West Randolph Street
Chicago, Illinois 60601
(312) 814-3000

Consumer Fraud Hotline:
(800) 243-0618
TTY: (877) 844-5461

Consumer Fraud Hotline:
(800) 386-5438
TTY: (800) 964-3013

601 South University Avenue
Carbondale, Illinois 62901
(618) 529-6400 or 6401

Consumer Fraud Hotline:
(800) 243-0607
TTY: (877) 675-9339

You can download a Consumer Complaint Form from the Attorney General's office at:

<http://illinoisattorneygeneral.gov/consumers/index.html>

and mail it to the Springfield address above. Your complaint will be examined by members of the Attorney General's staff; it may be forwarded to other government agencies, and to the person or entity you complained about. The complaint form is a public record; but no identifying information will be disclosed to anyone outside the Attorney General's office.¹¹⁸ The Attorney General also issues a pamphlet with tips on how to avoid several types of consumer fraud (telemarketing, home repair, charities, health care and sweepstakes fraud).¹¹⁹ It can be downloaded at:

<http://illinoisattorneygeneral.gov/consumers/consmaalert0305.pdf>

Federal Trade Commission

The Federal Trade Commission seeks to protect consumers against fraudulent advertising; automobile defects, sales, and warranty problems; fraudulent use of credit cards; inaccurate or obsolete credit reports; and mail fraud and misrepresentation. Complaints can be filed at:

<https://www.ftccomplaintassistant.gov>

or by contacting the FTC's Consumer Response Center or Midwest Regional Office at:

Consumer Response Center
Federal Trade Commission
600 Pennsylvania Ave. NW
Washington, DC 20580
Phone: (877) 382-4357
TTY: (866) 653-4261

Midwest Region
Federal Trade Commission
55 West Monroe Street
Suite 1825
Chicago, Illinois 60603

You can also report suspected mail fraud to your local post office.

Small-claims court

You can sue for damages up to \$10,000 in small-claims court.¹²⁰ You should call the court clerk to get information necessary to file a claim. You usually do so by paying a small filing fee and filling out a short, simple complaint stating: (1) your name, address, and phone number; (2) the defendant's name and address; and (3) the nature and amount of the claim, with any supporting evidence.¹²¹ You can find the small-claims court in your telephone directory under the name of your county, usually under the subheading "Circuit Clerk."

Regular court

If you have a claim for more than \$10,000, you may want to sue in the regular courts. Of course, the cost of suing may exceed the amount of a consumer claim. But if a number of people have essentially the same claim against the same business, they may be able to file it as a "class action" and thus spread the costs among themselves. If you think you are among many people who have been defrauded, you can try to find and join with them in such a suit.

Notes

The Illinois laws cited below can be found in the Illinois Compiled Statutes (ILCS), the official code of Illinois laws. It is published by legal publishers and is available online (at www.ilga.gov). A citation to a section in the Illinois Compiled Statute looks like this: 815 ILCS 505/1. In that citation, “815” is the chapter number, “505” is the number of the law within that chapter, and “1” is the number of the section of that law.

The Illinois Administrative Code (Ill. Adm. Code) and Code of Federal Regulations (Code of Fed. Regs.) are compilations of regulations issued by administrative agencies, which are also available online (at www.ilga.gov for the Illinois Administrative Code, and <http://www.ecfr.gov/> for the Code of Federal Regulations).

A citation to a federal law is in the form “1 U.S. Code sec. 100.” This means Title 1 of the United States Code, section 100. Your local library may have United States Code Annotated or United States Code Service, which are other forms of the federal statutes that have identical numbering.

Other abbreviations used in these notes are:

“sec.” or “secs.”: section or sections

“ff.”: and the following sections

1. 810 ILCS 5/2-201.
2. 740 ILCS 80/2.
3. 740 ILCS 80/2.
4. 815 ILCS 505/2PP.
5. 16 Code of Fed. Regs. subsecs. 310.4(c) to (e).
6. 16 Code of Fed. Regs. subsec. 310.4(b)(1)(iii)(B).
7. 16 Code of Fed. Regs. subsecs. 310.4(b)(1)(iii)(B)(ii) and 310.6(a).
8. 15 U.S. Code sec. 6155.
9. 47 Code of Fed. Regs. subsec. 64.1200(d).
10. 16 Code of Fed. Regs. subsec. 238.2(a).

11. 16 Code of Fed. Regs. sec. 238.3, introductory paragraph, first sentence.
12. At publication time the “FTC Complaint Assistant” was on this Internet page: <https://www.ftccomplaintassistant.gov/>
13. 815 ILCS 505/3 ff.
14. 14 Ill. Adm. Code sec. 470.310.
15. 16 Code of Fed. Regs. subsec. 233.1(a).
16. 14 Ill. Adm. Code sec. 470.220.
17. At publication time, “Filing a Consumer Complaint” was on this Internet page: www.illinoisattorneygeneral.gov/consumers/filecomplaint.html
18. 815 ILCS 350/3 to 350/5.
19. 16 Code of Fed. Regs. sec. 233.3.
20. 14 Ill. Adm. Code sec. 470.250.
21. 14 Ill. Adm. Code secs. 475.110 ff.
22. 815 ILCS 380/1 ff.
23. 815 ILCS 380/3(b).
24. 815 ILCS 380/4(a).
25. 815 ILCS 380/3(h).
26. 815 ILCS 380/3.
27. 815 ILCS 380/6.
28. 815 ILCS 380/4(b).
29. 49 U.S. Code secs. 32703 to 32705.
30. 720 ILCS 5/17-11.
31. 625 ILCS 5/3-112.1.
32. 49 U.S. Code sec. 32710; 625 ILCS 5/3-112.1(e).
33. 49 U.S. Code subsec. 32710(b).
34. 720 ILCS 5/17-11.
35. 815 ILCS 505/2L.
36. 625 ILCS 5/6-305(f).
37. 625 ILCS 27/20.
38. 625 ILCS 27/15(a).
39. 815 ILCS 505/2I and 225 ILCS 425/9(a)(14). In addition to subjecting the collection agency to discipline by the Department of Professional Regulation, all actions prohibited by the latter section are unlawful (225 ILCS 425/9(b), second paragraph). A violation of the act for which no other penalty is stated is a Class A misdemeanor if a first offense or a Class 4 felony if a repeat offense (225 ILCS 425/14).

40. 225 ILCS 425/9(a)(15).
41. 225 ILCS 425/9(a)(10).
42. 225 ILCS 425/9(a)(12).
43. 225 ILCS 425/9(a)(13).
44. 225 ILCS 425/9(a)(16).
45. 225 ILCS 425/9(a)(17).
46. 225 ILCS 425/9.2(c).
47. 225 ILCS 425/9.2(c)(1).
48. 225 ILCS 425/9.2(c)(2).
49. 225 ILCS 425/9.2(c)(3).
50. 225 ILCS 425/9.3(a)(3).
51. 815 ILCS 140/1b.
52. 815 ILCS 145/2; 15 U.S. Code sec. 1643.
53. 15 U.S. Code sec. 1666.
54. 15 U.S. Code sec. 1693g.
55. 15 U.S. Code subsec. 1681a(f).
56. 15 U.S. Code subsec. 1681b(a).
57. 820 ILCS 70/10.
58. 15 U.S. Code sec. 1681c.
59. 15 U.S. Code subsec. 1681h(a)(1).
60. 15 U.S. Code sec. 1681g.
61. 15 U.S. Code subsec. 1681g(a)(3)(A).
62. 15 U.S. Code subsec. 1681j(f).
63. 15 U.S. Code subsec. 1681j(a)(1)(A).
64. 15 U.S. Code subsec. 1681j(c).
65. 15 U.S. Code subsec. 1681j(b).
66. 15 U.S. Code sec. 1681i.
67. 15 U.S. Code subsec. 1681j(f)(1)(B). That provision allows imposition of a “reasonable” charge after the 30-day period.
68. 815 ILCS 605/9(b) and (c).
69. Illinois Attorney General, “Identity Theft Resource Guide” (Jan. 2008), pp. 5-15, available on the Attorney General’s Internet site.
70. 15 U.S. Code subsec. 1681c-1(a)(1)(B).
71. 720 ILCS 5/16-35(a).
72. 815 ILCS 505/2MM.
73. “Identity Theft Resource Guide” at 17-18.

74. "Identity Theft Resource Guide" at 18-19.
75. 815 ILCS 505/2B.
76. 815 ILCS 515/3(a). See also the next note.
77. 815 ILCS 515/3(b). The Illinois Supreme Court held subsection (c) of that section invalid in *People v. Watts*, 181 Ill. 2d 133, 692 N.E.2d 315 (1998), but explicitly stated that the rest of the section was not affected.
78. 815 ILCS 515/4. Prison terms and fines are set out in 730 ILCS 5/5-4.5-40 and 730 ILCS 5/5-4.5-50.
79. 815 ILCS 515/5; 730 ILCS 5/5-4.5-35.
80. Illinois Attorney General, "Tips to Prevent Consumer Fraud" (Sept. 2004), posted on Attorney General's Internet site.
81. See 815 ILCS 405/2 to 405/2.17; 815 ILCS 375/2 to 375/2.15.
82. 815 ILCS 405/3 to 405/5; 815 ILCS 375/3 to 375/5.
83. 815 ILCS 505/2C.
84. 815 ILCS 405/7; 815 ILCS 375/7.
85. 815 ILCS 405/8 and 405/9.
86. 815 ILCS 375/9.02 and 375/10.
87. 815 ILCS 405/13; 815 ILCS 375/12.
88. Federal Trade Commission, "Selling on the Internet: Prompt Delivery Rules" (FTC Business Alert, Oct. 2001 (as later updated), downloaded from FTC Internet site.
89. 16 Code of Fed. Regs. secs. 435.1, 435.2 and 435.3.
90. 815 ILCS 430/1; 39 U.S. Code sec. 3009.
91. 810 ILCS 5/9-607 and 9-609(a).
92. 225 ILCS 422/30.
93. 810 ILCS 5/9-609(b)(2); see also 15 U.S. Code subsec. 1692f(6).
94. 225 ILCS 422/110.
95. 625 ILCS 5/3-114(f-5); see also 810 ILCS 5/9-611 and 9-612.
96. See 810 ILCS 5/9-609 and 5/9-610.
97. 810 ILCS 5/9-608(a)(4).
98. 810 ILCS 5/9-623(b).
99. 625 ILCS 5/3-114(f-5)(1).
100. 625 ILCS 5/3-114(f-7)(1).
101. Federal Trade Commission, "Computer Security" (consumer information fact sheet, Sept. 2011), downloaded from FTC Internet site.
102. "What is phishing?" downloaded April 7, 2014 from Microsoft Internet site.

103. Federal Trade Commission, “Phishing” (consumer information fact sheet, Sept. 2011), downloaded from FTC Internet site.
104. 740 ILCS 7/10.
105. Massachusetts Institute of Technology, Information Services and Technology, “Viruses, Spyware, and Malware” (fact sheet), downloaded April 7, 2014 from MIT Internet site.
106. Federal Trade Commission, “Malware” (consumer information fact sheet, Sept. 2011), downloaded from FTC Internet site.
107. Spamhaus Project Ltd., “The Definition of Spam” (fact sheet), downloaded April 7, 2014 from Spamhaus Project Internet site.
108. Federal Trade Commission, “Spam” (consumer information fact sheet, Sept. 2011), downloaded from FTC Internet site.
109. Federal Trade Commission, “Tech Support Scams” (consumer information fact sheet, Oct. 2012), downloaded from FTC Internet site.
110. “Keeping Children Safe Online” (Security Tip ST05-002, rev. Feb. 6, 2013), downloaded from Department of Homeland Security, United States Computer Emergency Readiness Team Internet site.
111. Illinois Attorney General’s office, “Online Safety Tips for Kids” (fact sheet), downloaded April 7, 2014 from Attorney General’s Internet site.
112. Illinois Attorney General’s office, “Online Safety Tips for Parents” (fact sheet), downloaded April 7, 2014 from Attorney General’s Internet site.
113. 15 U.S. Code secs. 6501 ff; and Federal Trade Commission, “Implementing the Children’s Online Privacy Protection Act: A Report to Congress (Feb. 2007), downloaded from Federal Trade Commission Internet site.
114. 47 U.S. Code subsecs. 254(h)(5)(A) and (6)(A).
115. 15 U.S. Code sec. 6552.
116. 325 ILCS 65/20.
117. 105 ILCS 5/27-13.3.
118. Illinois Attorney General’s office, “Filing a Consumer Complaint,” downloaded April 7, 2014 from Attorney General’s Internet site.
119. This document can be rotated in most browsers and reader programs (such as Adobe Reader) by right-clicking on the document and selecting the “Rotate” option.
120. Illinois Supreme Court Rules 281 ff.
121. Illinois Supreme Court Rule 282.