Free Credit Freezes and Using Them to Protect Your Children

October 3, 2018 - Last month we told you that as of September 21st, implementing or lifting a credit freeze is free. That's now federal law. We also mentioned that parents can implement credit freezes on behalf of their minor children. New studies by Javelin Strategy & Research and Experian make clear that every parent in the country should make use of the new law to protect their children.

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According to the Javelin study, 16.7 million Americans were victims of identity theft in 2017. More than 1 million of those victims were children. And according to Experian, the average age of a child ID theft victim is 12.

Charges run up in the names of these child victims amounted to $2.6 billion in 2017 and their families spent more than $500 million attempting to resolve claims against them. According to Experian, 1/3 of these victims were victimized by someone they knew.

The long term damage to children who become victims is hard to measure. A 12 year old child who becomes a victim of ID theft may not discover the issue until reaching adulthood. At that point, the victim could have huge debts, be ineligible for credit and be unemployable in many professions. As a for-instance, someone attempting to join the military on their 18th birthday could easily find out that due to their debt burden and unpaid bills that they are ineligible.

Nobody under the age of 18 should have a credit record but it is up to parents to see to it that their children are protected. If you have children, and you don't want them living in your basement for the rest of your life, you owe it to them and to yourself to implement credit freezes in their names. Freezes need to be implemented with each of the credit reporting agencies separately; Experian, Equifax and Trans Union.

It should be noted that implementing a credit freeze for your child will prevent anyone from opening new credit accounts in their names, it won't shut down already existing accounts. So if you freeze your child's credit when he is 12, but someone established credit in your child's name when he was 10, those accounts can remain active. Therefore, parents should also review their child's credit report every year. Again, that's free and you can order it by calling Annual Credit Report at 877-322-8228.

byJim Malmberg

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