



SPOTLIGHT ON FINANCE

HAS YOUR CREDIT SCORE INCREASED

Have you noticed an increase in your credit score? Effective July 1, 2017 the three largest Credit Reporting Agencies (“CRAs”) Equifax, Experian and TransUnion as part of an effort to ensure consumer identification data is accurate and current will exclude the two major sources of negative impact on borrower information: [tax liens](#) and some [civil debts](#) from their reports

A recent NBC article reported the change in reporting stemmed from a [class action lawsuit brought by attorneys general in 31 states](#), including Tennessee. The suit revealed credit reporting inaccuracies, misappropriated data and reduced credit scores from civil judgments and tax lien data on consumers. The article went on to say plaintiffs alleged something called “mislinking” of data (*when someone else’s information ends up on your report*) lead to unfair credit score deductions. For example, someone else’s tax lien or civil judgment information mistakenly shows on your credit report resulting in improper credit score reductions or debts you’ve paid appear on your credit as unpaid.

The new standards for how tax liens and civil judgments are included in credit reports are part of the National Consumer Assistance Plan (“NCAP”). The NCAP is an initiative of the CRAs to enhance the ac-

curacy of credit report information and improve consumer frustration when interacting with the CRAs when trying to about fix errors in their credit report.

Public record data collected for credit reporting purposes includes bankruptcies, civil judgments and tax liens and it must contain minimum identifying information and be collected at more frequent intervals as follows:

- ⇒ Minimum reporting of: Name, Address and Social Security Number, Date of Birth; and
- ⇒ Minimum frequency of courthouse visits to obtain newly filed and updated public records of at least every 90 days.

Fair Isaac Corporation (“FICO”) suggests around 7 percent of the 220 million people in the U.S. with credit reports will have a judgment or lien stripped from their file. This revision will impact consumer databases and could improve consumer credit scores and result in modest score increase. Bankruptcy public records already meet the enhanced standards.

Francis Creighton, President and CEO of the Consumer Data Industry Association states: “It’s important that consumers understand the impact of how these liens and judgments are reported. The changes that the CRAs are making will improve the quality and currency of data reported, ensuring that the credit reporting system stays strong.”

It’s important to note that not all tax liens and civil judgments will be removed. Tax liens that adhere to the enhanced standards will remain. Because civil judgments don’t adhere to the enhanced standards, they will be removed from consumer credit reports. These changes will be applied to consumer credit files in July 2017 and modifications will be visible on credit reports soon after, if applicable.

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It was also noted that FICO believes the Impacts on FICO® Scores in the cumulative will be moderate. No action is required by consumers to follow up with the CRAs following implementation of the enhanced standards.

The federal Fair Credit Reporting Act (“FCRA”) promotes the accuracy and privacy of information in the files of the nation’s credit reporting companies. Under FCRA, both the credit reporting company and the information provider (the person, company or organization) are responsible for correcting inaccurate or incomplete information in your report. To take advantage of all your rights under this law, contact the credit reporting company and the information provider.

Information contained in credit reports affects whether you can get a loan and how much it will cost you to borrow, make sure the information is accurate, complete and up-to-date before you apply for a major purchase like a house or car, apply for employment or purchase insurance.

Added Protections for Consumers who Dispute Credit Reporting Information

- ◇ An escalated process for handling complicated disputes, such as identity theft, fraud, or mixed files (where one consumer’s information is mixed with another consumer’s);
- ◇ Each CRA must notify the other agencies if it finds a mixed file;
- ◇ CRAs must send a consumer’s supporting documents to the data furnisher;
- ◇ Consumers may obtain one additional free credit report in a 12-month

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period, if they dispute information on the credit report and a change is made as a result of the dispute.

Limits to Certain Information that can be Added to a Consumer’s Credit Report

- ◇ CRAs are generally prohibited from adding information about fines and tickets to credit reports;
- ◇ CRAs cannot place medical debt on a credit report until 180 days after the account is reported to the CRA (giving consumers time to work out issues with insurance companies);
- ◇ CRAs must require debt collectors to provide the original creditor’s name and information about the debt before the debt information can be added to a credit report.

If you believe a public record reported on your credit report is inaccurate or not current, you are encouraged to first file a dispute with the CRA using the following:

Experian 888.397.3742
www.experian.com

TansUnion 800.916.8800
www.transunion.com

Equifax 800.685.1111
www.equifax.com

To see a sample dispute letter go to:
<https://www.consumer.ftc.gov/articles/0384-sample-letter-disputing-errors-your-credit-report>

If you question the outcome of a disputed investigation, CRAs must tell consumers:

How they can further dispute the investigation’s outcome (filing a complaint with other agencies);

Provide a link on their website to its online dispute website
www.annualcreditreport.com; and the

CRAs dispute website must be free of ads and any marketing offers.

If this doesn’t resolve your issue, you can contact the Consumer Financial Protection Bureau, as the regulator for

the Fair Credit Reporting Act at the address and telephone number below.

Consumer Financial Protection Bureau
POB 2900
Clinton, IA 52733-2900
Phone: 855.411.2372
www.consumerfinance.gov

More information about the National Consumer Assistance Plan can be found at:
<http://www.nationalconsumerassistanceplan.com/>

Free Shred Days Coming Up Across Tennessee

September 16
8:00 a.m. - 12:00 p.m. ET
Eastman Credit Union
Greeneville Branch
3811 E. Andrew Johnson Highway
Greeneville, TN

September 23
St Matthew School
533 Sneed Rd W, Franklin, TN 37069
9-12

September 23
8:00 a.m. - 12:00 p.m. ET
Eastman Credit Union
Wilcox Branch
201 S. Wilcox Drive
Kingsport, TN

September 30
Forest Hills
6300 Hillsboro Pike
8:30-12:30

September 30
8:00 a.m. - 12:00 p.m. ET
Eastman Credit Union
Gray Branch
384 Roy Martin Road
Gray, TN

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Scams that Target Veterans

Are you a Veteran or know someone who is? There are some tips available to help avoid being a target for so called scammers.

You should be aware of what's called the Pension Benefits Filing Scam. This involves certain wartime veterans and their spouses with financial need who receive monthly benefit payments from the Veterans Benefits Administration. A veteran or their spouse may also be eligible for one or two additional amounts such as, Aid & Attendance (A & A) for everyday caregiving or Housebound Benefits for those confined to their homes because of a permanent disability.

Unfortunately, some Individuals scam veterans or their surviving spouses by charging them fees to prepare or file a claim. Listed below are some precautions you should be aware of to avoid VA pension benefit scams.

- Never pay a fee to anyone for preparing and filing your initial claim;
- See <https://www.va.gov/ogc/apps/accreditation/> to make sure the individual is accredited by VA to assist you in preparing and filing a claim;
- If you consult with an attorney who advises you about the benefits for which you may be eligible, there may be a possible fee for that service, however, avoid attorneys or claims agents who try to market financial products such as, trusts and annuities in connection with filing your VA claim;
- Be aware that older adults may face problems with annuities since you may not have access to your funds should you need them without paying a costly surrender fee; and

- Shifting your assets into certain types of investments in order to meet eligibility thresholds for VA pension benefits could make you ineligible for Medicaid for a period of time.

There is also what's called the Pension Advance Scam. This scam targets older adults such as veterans or other retired government workers who receive either monthly disability compensation or pension payments. The scammer will offer a "cash advance" or sometime called "lump sum payout" on your monthly pension payments. For example: a veteran received a cash advance of \$73,000 in exchange for his monthly pension payment of \$2,744 for a ten year period. At the end of the ten years the veteran's total repayment is estimated as \$256,293, which represents an annual interest rate of 44.5%. Listed below are some precautions you should be aware of to avoid the pension advance scam.

- Pension Advance payment arrangements are costly loans with sometimes hidden fees.
- You should never allow a creditor to access the account where you receive your benefits to avoid monthly withdrawals to pay for interest and fees.
- Also remember that your military benefits cannot be garnished by a lender.

When protecting your retirement pension you should:

- Avoid loans with high fees and interest;
- Never sign over control of your benefits;
- Don't buy life insurance that you

don't want or need, especially if the Pension Advance Company suggests you sign up for life insurance with them being the beneficiary.

Another scam that is preying on veterans is the Phony Telephone Number Scam. This targets veterans who are making decisions about their medical care. There is a program available called The Veterans Choice Program (VCP) initiated by the U.S. Department of Veterans Affairs (VA), that allows certain eligible veterans to use approved health care providers who are outside of the VA system by calling the VCP's toll-free number to verify their eligibility for the program. Scammers have set up a "phony" telephone line that closely resembles the VCP's real telephone number. Scammers often use names, seals, and logos that look or sound like those of respected, legitimate organizations.

When you call and think you've reached the VCP, the fake line's message says you're entitled to a rebate if you provide a credit card number. But if you give up your account information, they'll debit your account and you'll get nothing in return, there is no rebate and you'll need to cancel your credit card.

For additional information regarding various scams that target veterans and other important information or assistance, please visit: <https://wwwfdic.gov/consumers/moneysmart/olderadult.html>, <https://www.va.gov>, or <https://www.ftc.gov>. For assistance within the state of TN, visit: <http://www.benefits.va.gov/nashville>. The Nashville Regional Benefit Office has jurisdiction over federal benefits for the entire State of TN, which is a part of the United States Department of Veterans Affairs.

Apply for Federal Student Loan Aid Beginning October 1, 2017

Planning for college is an important step that many high school seniors have either already taken, or else they need to begin this process very soon! For those students who will be entering college during the 2018-19 academic year, you may need to consider financial aid to help lessen the costs of attending the university or college of your choice. The U.S. Department of Education provides several federal student loan programs, such as the Pell Grant, to assist in this regard. (<https://studentaid.ed.gov/sa/>)

To apply for federal student aid, parents or students should complete the Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov. Completing FAFSA is the most important action parents or students can take to determine the amount of financial aid that may be available to them each year. FAFSA provides hundreds of thousands of college students more than \$120 billion per year in financial aid.

The 2018-19 FAFSA becomes available on October 1, 2017 and it should be completed as soon as possible, in order to meet a number of deadlines that are associated with the awarding of financial aid. Additionally, completion of the FAFSA is also the application mechanism for specific Tennessee financial aid programs, which include the TN Hope Scholarship, TN Promise and the new TN Reconnect program for adult students.

As a reminder, TN Promise (<http://tnpromise.gov/>) is the groundbreaking program which provides high school graduates two years of community or technical college free of tuition and fees.

TN Reconnect (<http://tnreconnect.gov/>) establishes a last-dollar scholarship for adults to attend a community college tuition-free. Tennessee adults without a certificate can already attend Tennessee Colleges of Applied Technology (TCATs) tuition-free under the current Reconnect program. However, starting with the 2018-19 school year, the Tennessee Reconnect

Act adds community colleges to the program, funded through the Lottery for Education account.

As part of the 2018-19 FAFSA application, parents and students will be asked questions related to their 2016 federal income tax return filing. If you are unfamiliar with other information that may be needed to complete the FAFSA, the following checklist is provided to assist with this process:

- Student's Social Security number
- Parent(s)' Social Security number(s)
 - If a parent does not have a Social Security Number, enter 000-00-0000.
- Student's driver's license/permit/state issued ID number (if the student has one)
- Student's Alien Registration Number (if the student is not a U.S. citizen)
- 2016 tax information, including 2016 W2s for student and parent(s) (if required to file)
- Records of 2016 untaxed income, such as child support and veterans non-education benefits, for student and parent(s)
- Current information on checking and savings account balances; investments; and business and farm assets for student and parent(s)
- Student's email address (if the student has one)
- Parent's email address (if the parent has one)
- Student's Federal Student Aid (FSA) ID username/password
 - The student may create an FSA ID username/password by visiting fsaid.ed.gov today or while completing the 2018-19 FAFSA.
- Parent's FSA ID username/password
 - A parent may create an FSA ID username/password by visiting <https://fsaid.ed.gov/npas/index.htm> today or while completing the 2018-19 FAFSA.
 - If neither parent has a Social Security

Number, they will be unable to create an FSA ID. Instead, one parent will need to print, sign, and mail the signature page downloadable on the sign & submit screen of the FAFSA.

On July 20, 2017, Governor Haslam announced that more Tennessee high school seniors applied during the 2017-18 academic year FAFSA filing than ever before. In fact, this was the third consecutive year that Tennessee has led the nation in FAFSA applications. The record FAFSA filings are key indicators of the number of students planning to enroll in postsecondary education as the state pursues Governor Haslam's Drive to 55 initiative that was announced in 2013. This initiative seeks to have 55 percent (55%) of Tennesseans with a postsecondary degree by 2025.¹ The Department hopes this information will help to continue the streak of the highest number of FAFSA applications.²

¹ Governor Bill Haslam, Press Release, "Haslam Announces New FAFSA Filing Record in Tennessee", July 20, 2017

² Jason Seay, Assistant Executive Director, Tennessee Student Assistance Corporation



Elder Adult Exploitation Epidemic

Were you aware that more than two-thirds of all bank deposits and financial assets are owned by older Americans? ¹ From this statistic, thousands of older Americans are victims of financial exploitation on a daily basis. Some reasoning why they are targeted not only for their wealth of accumulated assets can also be attributed to cognitive declines that may exist with many of the nation's elderly, which leads to them being vulnerable to financial exploitation.

What is Elderly or Vulnerable Adult Financial Exploitation?

Financial Exploitation is defined as occurring when a person misuses or takes the assets of an elder or vulnerable adult for his or her own personal benefit. This frequently happens without the explicit knowledge or consent of the elder, or disabled adult; therefore, depriving him or her of vital financial resources for their personal needs.²

In these situations, assets are generally taken through deception, false pretenses, coercion, duress and even threats. Financial exploitation can occur in a variety of ways³:

Theft-Assets are taken without knowledge, consent or authorization; may include the taking of cash, valuables, other personal property and medications

Fraud-Acts of dishonesty by persons who may have been entrusted to manage the assets of the older individual, but they appropriate the assets for unintended uses; which may include falsification of records, forgeries, unauthorized check writing and Ponzi-type financial schemes

Real Estate-involves unauthorized sales, transfers or changes to property title (s); may include unauthorized or invalid changes to estate documents

Lottery scams-involves payment or transfer of funds to collect unclaimed property or prizes from lotteries or sweepstakes

Investment-includes investments made without knowledge or consent; may include high-fee funds (front or back-loaded) or excessive trading activity to generate commissions for financial advisors

Elder Financial Exploitation by the Numbers

It is estimated that as many as one in five (1/5th or 20%) of Americans over the age of 65 have been victimized by financial fraud.⁴ In fact, it's a problem that Kathleen Quinn, Executive Director of the National Adult Protective Services Association called "rampant, largely invisible, expensive and lethal".⁵

According to the 2016 Internet Crimes Complaint Center, or IC3, Annual Report, individuals over the age of 60 filed 55,043 (18.40%) of the 298,728 complaints with them last year related to financial scams or frauds that occurred over the Internet. However, the total dollar loss as a result of the various scams for this age demographic was \$339,474,918, or 30.12% of the total dollar losses.⁶

Although it can be difficult to measure the exact extent of the total financial loss, we know these crimes are on the rise and continue to deprive seniors of their savings and assets. These figures do not account for the tens of billions spent on indirect costs for medical care, social services and legal costs, or for the pain and suffering of the victims. Victims are not only older people, but also their families and all who provide services or financial assistance.⁷

Where to Report Elder Financial Exploitation or Abuse

If you have suspicions of abuse, neglect,

or exploitation of adults and the suspected actions occurred in Tennessee, you can report these instances to Tennessee Adult Protective Services ("APS") area of the Tennessee Department of Human Services at 1.888.APS.TENN or 1.888.277.8366. There is actually a statutory duty to report abuse, neglect or exploitation pursuant to Tennessee law in Tennessee Code Annotated ("TCA") § 71-6-103(b). The statute provides in part, "(b) (1) Any person, including, but not limited to, a physician, nurse, social worker, department personnel, coroner, medical examiner, alternate care facility employee, or caretaker, having reasonable cause to suspect that an adult has suffered abuse, neglect, or exploitation, shall report or cause reports to be made in accordance with this part.

¹ AARP Banksafe Initiative Brochure, 2016

² *What is Financial Exploitation?* 2017 Brochure, National Adult Protective Services Association

³ *What is Financial Exploitation?* 2017 Brochure, National Adult Protective Services Association

⁴ "Why Elder Financial Abuse is Such a Slippery Slope", Richard Eisenburg, Forbes article, February 13, 2015

⁵ "Why Elder Financial Abuse is Such a Slippery Slope", Richard Eisenburg, Forbes article, February 13, 2015

⁶ 2016 Annual Report, Internet Crimes Complaint Center ("IC3"), https://pdf.ic3.gov/2016_IC3Report.pdf

⁷ 2016 Women's Institute for a Secure Retirement (WISER)/National Adult Protective Services Association (NAPSA) Just the Facts Healthcare Scams Brochure



Free Shred Days Coming Up Across Tennessee

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October 14, 2017

Join your BBB, The Commercial Appeal, and Shred It for

FREE DOCUMENT SHREDDING

Bring up to 5 boxes/bags of paper documents that contain information you don't want in the hands of identity thieves for free, on-the-spot shredding!

9:00am – Noon, Rain or Shine

In the front parking lot of The Commercial Appeal, 495 Union Avenue

October 21, 2017

BBB Middle TN will host a national identity theft and fraud protection event in local communities across Middle Tennessee. Bring your boxes or bags of paper documents that contain personal identifiers, and we'll shred it for you FREE - on the spot. We'll also be distributing great tips and resources to help you protect your identity - online and off.

The Nashville location permits an unlimited quantity of paper goods that can be brought and shredded. Businesses are welcome to bring large quantities!

Check the list below for locations and limitations.

Nashville, TN

Time: 9am - 1pm

Location: Richards & Richards, 1741 Elm

Hill Pike, Nashville, TN

[[CLICK HERE](#)] for map

For this location - there is NO LIMIT for the amount of paper materials
Shredding Services provided by Richards & Richards Office Records Management, Inc.

Computer Recycling/Hard Drive Shredding*

Limit 5 units

No TV

No CRT Monitors (Flat Screens accepted)

*Computers & hard drives will be collected and processed in accordance with AAA NAID Certified requirements during regular business hours.

Franklin / Williamson County

Time: 9am - Noon or truck is full

Location: UPS Store Parking Lot, 2000

Mallory Lane, Franklin, TN

October 28 – Oak Ridge Branch and Farragut Branch of ORNL Federal Credit Union

Oak Ridge (215 S. Rutgers Avenue)

Farragut (11405 Municipal Center)