

Written Testimony

of

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Consumer

Victim of Chronic Credit Reporting Inaccuracy

Before the United States Senate Committee on Commerce, Science, and Transportation

Subcommittee on Consumer Protection, Product Safety and Insurance

”Credit Reports: What Accuracy and Errors Mean for Consumers.”

May 7, 2013

## I. INTRODUCTION

I would like to begin by thanking you for inviting me to testify here today.

Throughout the credit reporting nightmare I have been living, a nightmare that has been going on since 1999 and which continues on in various ways today, one of the most difficult things is feeling like no one is really listening to me or cares what I am going through. I am honored to be here, speaking on behalf of myself and other consumers who have been forced into this ordeal through no fault of their own. I am encouraged and hopeful that the problems plaguing victims such as myself will get some of the attention that is desperately needed to prevent others from suffering the same fate.

## II. THE COMPROMISE OF MY GOOD NAME

One afternoon, in 1999, I went into the local mall looking to buy myself a new dress. I found the perfect one and decided to take advantage of a store credit card offer to save myself 10% on the purchase. Much to my complete surprise, I was denied. Besides being completely embarrassed, I was also completely confused. I have always taken pride in paying my bills on time and not living beyond my means. My credit rating has always been excellent. I had no idea what was going on.

Soon after, I received in the mail the official “denial” letter saying that my store credit card application was denied because of some negative information in my credit report. I requested a copy of that credit report to see what could possibly be contained in there to justify denying me for a relatively minor credit opportunity. My credit report looked absolutely fine. I recognized the accounts that were reported, and all of them were accurately showing that I am very responsible with my use of credit.

What I did not know at the time, and what would take me years to uncover, is that my personal information was beginning to mix together with that of someone with similar identifying information. My name is Judy Ann Thomas and I live (and always have lived) in Ohio. There is a woman named Judith Kendall who lives in Utah. Apparently, because our first names are sufficiently similar, and our Social Security numbers are within a seven (7) of nine (9) match of each other (a fact I would only discover through federal litigation), one or more of the national consumers reporting agencies (“CRAs”) started seeing us as the same person for purposes of placing her data in my credit report. I never could have imagined what that seemingly “minor” mistake would do to me, to my good name, to my excellent credit rating.

It took quite some time for the mixture to show itself to me on paper. I saw “clean” copies of my credit report for several months before the name “Judith Kendall” ever appeared. Little by little, however, that name, its corresponding address(es) in Utah, and the numerous delinquencies, charge offs and collection accounts rightfully belonging to somebody else, started showing up in *my* credit report. I certainly was confused by what was going on, but at least now I had something to work with; I could identify the problem and dispute the false items I now could see.

But for every dispute I made, it seemed two more problems arose. I would dispute one particular account, and maybe that account would be deleted, but then a new account that was not mine would appear. It was obvious to me that no one was looking at the bigger picture of why this information was coming into my credit report in the first place. This was never more evident to me than the day I received a credit report at my home addressed to Judith Kendall! Was anyone paying any attention to my disputes? Clearly the answer was no.

### III. WHAT IT REALLY MEANS TO BE A “VICTIM” OF CHRONIC INACCURACIES

Even though my “credit problems” were caused by a failure of the credit reporting system, not anything I did or could have done differently, I am the one that has suffered the consequences. I have been impacted on every level: economic, emotional, mental, physical.

#### A. Economic Loss and/or Financial Injury.

Throughout the course of my fight to regain my good name and impeccable credit rating, I was forced to suffer multiple credit denials due to false and derogatory information in credit reports circulated by one or more of the national CRAs. For instance, in 1999, I applied for but was denied a credit card from Gantos. In 2000, I applied for but was denied credit by Discover, Capital One, First Merit and Verizon. In 2003, I was unable to refinance my existing mortgage with Fifth Third Bank because of the appearance (or reappearance) of an alias and corresponding derogatory collection references.

These numerous credit denials demonstrate the repeated and seemingly never-ending cycle in which I have been thrust by the national CRAs wherein I have suffered the humiliation and frustration of being denied credit, disputed the false information with the CRAs, dared to believe that the information has been corrected, and then subjected myself to the application process again only to be humiliated by rejection *again*. This cycle has imposed significant mental, emotional and physical strain, distress and humiliation on me for which I have suffered a significant loss of trust in the system as a whole.

The vicious cycle described above has repeatedly haunted me and my ability to obtain credit at the best terms available. In 2004, I attempted to co-sign a student loan for my daughter. After much research, I discovered that Key Bank had the best rates available and so, I submitted an application. This credit application was denied due to the existence of “Charge

Off/Collection” notations on my credit report. Once again, I was subjected to the utter humiliation of a credit denial, this time accompanied by the additional stress and embarrassment of the fact that this particular credit denial called into question my ability to assist my daughter in paying her college tuition. My inability to secure the student loan for her created tension between us of fear that she would otherwise be unable to attend college. It also imposed feelings of inadequacy on me in not being able to assist my daughter when my true credit rating should have been more than sufficient to secure the loan. Additionally, I was forced to approach my mother and father about possibly co-signing the loan for my daughter which absolutely mortified me, but I felt I had no choice but to do so to ensure my daughter could go to school.

The denial of the student loan application also triggered another several-month-long dispute process wherein I was forced to defend my good name and credit rating again, which involved the investment of significant time, effort and resources to attempt to explain and verify that I was not, in fact, the person whom my credit report continued to say I was. This dispute process culminated with me being hounded at work in October 2004 for verification of my employment in an effort to attempt to secure the student loan for my daughter. In addition to having to spend work-related time in an effort to do so, I suffered the humiliation of having to justify and explain my actions to my superior, as well as fear that I would be reprimanded or otherwise disciplined for doing so. Ultimately, I secured a student loan for my daughter through Bank One, but the interest rate on such loan was almost two (2) percentage points higher than the rate offered by Key Bank (for which I was denied).

By December 2004, I was advised by the national CRAs that my disputes had been resolved and, once again, they represented to me that my credit report had been cleared of any reference to any other individual or credit information belonging to anyone other than me. I

hoped, trusted and believed that my ordeal had finally ended, and I looked forward to enjoying the good name and credit rating I had worked so hard to earn for myself.

However, regrettably, once I dared to believe my efforts had been successful, I learned, once again, that I was a fool for doing so. Specifically, in or around November 2005, I sought pre-approval on a new home loan through Fifth Third Bank. I selected Fifth Third Bank to apply for a potential loan because I was already a customer there, and that fact had enabled me to secure credit previously (albeit after a delay) despite the appearance of false information in my credit report. In the face of the national CRAs' previous representations that all reference to the previously-disputed, false information contained in my credit report had been removed, I learned that my credit report once again showed a false "known" alias and collection information relating to another individual. I was sickened by the reappearance of this information and did not further pursue a new home loan application at that time.

Then, in or around July 2006, my fiancé and I desired to purchase a new home, so I needed to subject myself to the application process once again. I desperately wanted my credit record to be accurate, not only so I could ensure obtaining a home loan at the best terms available, but also so that I not be forced to suffer through the pain and humiliation of another credit denial, this time in front of my fiancé. In hopes of circumventing a credit denial based on false information appearing in my credit record, I submitted to a pre-certification process instead of submitting a full-blown loan application (so as to pre-plan in case a problem arose), and I elected not to seek financing on my own but did so jointly with my fiancé so that his excellent credit rating would be considered as well. In particular, my fiancé and I submitted a joint application for pre-certification for a new home loan through Countrywide Mortgage. While my

fiancé was successful in obtaining pre-certification, I was not. We decided not to proceed with a formal loan application.

Of course, with each of these denials I have been forced to suffer additional financial injury and/or loss to the extent I needed to expend an absurd amount of time, effort and personal resources (including credit report fees, telephone charges, postage, etc.) in restoring my good name and credit rating to its rightful status because of the national CRAs' failures or refusal to abide by the law. Likewise, the never-ending cycle I have been thrust into has left me paralyzed with respect to considering applying for credit, even when I need it. Thus, I have and will continue to miss out on valuable cost-saving credit opportunities because I simply cannot trust that my credit report will accurately portray my credit history when and if I do apply for credit.

The financial impact of this ordeal has not been limited just to my inability to obtain credit on the best terms availability. In 2010, the matter reared its ugly head yet again, threatening my ability to obtain a new job. After applying for a new position, I was questioned by the potential employer about whether I really had a nursing license as I represented. Much to my horror, I learned that information about "Judith Kendall" had been returned in response to a background check on me. To this day, I have never been able to confirm exactly how this happened. The mixing of my personal information by one or more of the national CRAs has left the confines of that arena and now is floating out in the realm of public information as well. The loss of control of my personal information in this regard is devastating. The proverbial horse has left the barn and I am powerless to do anything about it.

Most recently, I was in need of refinancing my home within a specified deadline due to a court-imposed deadline relating to the ending of my relationship with my former fiancé.

As the deadline approached, the now-familiar sense of dread returned but my credit reports once again looked “clean” so I was hopeful that things would go through with no problem. But then the loan officer placed before me a form that I was required to sign in order close wherein I was attesting that I sometimes go by the name “Judith Kendall.” I was reduced to calling my attorney in tears.

B. Non-Economic Injuries: The Personal Toll.

The financial impact of my ordeal has been significant, and I certainly do not want to under-represent the toll that has taken on me. But economic loss is something tangible, something relatively easy to see and/or understand. The personal toll, on the other hand, is much more difficult to see, and it is so much worse. Anguish, distress, embarrassment, frustration, anger, fear. All of those words have applied at one time or another for me, some all at the same time. There has also been crying, pacing, sleeplessness, headaches. I feel like there simply are not sufficient words for me to explain to you what it feels like to go through something like this, and its maddening to be faced with an attitude of “no harm, no foul” by the industry who has done this to me.

I have suffered extreme embarrassment, humiliation and disappointment in being denied credit on numerous occasions. I take great pride in having built a good name and impeccable credit rating for myself; thus, to be told that I do not qualify for the credit I need or desire is greatly upsetting and demoralizing to me. In fact, having to justify who I am on a repeated basis is extremely frustrating and embarrassing.

I have also suffered embarrassment and humiliation from having to explain myself and my actions to friends and family who have witnessed, first hand, the ordeal I have been subjected to. Despite having the love and support of these people, it is still greatly

upsetting and distressing that it outwardly appears I am someone or something I am not. My mental, emotional and physical stress in this regard pales in comparison to the embarrassment, distress and fear suffered when I was been forced to explain myself to my superior at work because, once again, the national CRAs reported false information about me to a potential creditor. I was utterly humiliated after being discovered by my boss crying at work, and then had to attempt to explain what was going on. Again, it is greatly embarrassing to have to discuss such personal matters with others, especially when I am faced with the fear that I may not be believed or that I am being judged for being someone or something I is not.

My mental, emotional and physical stress and distress is exacerbated by the anxiety and fear I suffer because of not being able to get credit when I need and/or want it, specifically including being unable to co-sign a loan for my daughter's education and not being able to secure sufficient financing for a new home loan on my own. The position I have unwittingly been placed in has created anger, fear, confusion, stress, worry, disappointment and frustration as to how this happened and, equally, how I am going to make things better for myself and my family. I take great pride in the good name and impeccable credit rating I have struggled to build for myself, and it devastates me that these things are being compromised and there is nothing I can do about it.

Despite being a completely innocent victim in all of this, I feel like I am fighting for my reputation against being slandered repeatedly by entities that are supposedly charged with protecting my privacy, and I resent being forced into such a position. Repeatedly having to deal with the national CRAs to defend my good name and impeccable credit rating has taken a great deal of emotional and physical energy from me. I have been left exhausted and demoralized from the ongoing process and, worse yet, I have no faith, trust or reasonable belief that I will

ever be successful in separating myself from Judith A. Kendall (and Ms. Kendall's negative credit history). I desperately want to put this never-ending saga behind me and never think about it again!

In November 2005, when I discovered that, once again, the false alias and attached negative credit information were being reported by the national CRAs, I was confused and angry, but more than that I felt thrust into an unwanted and painful reality that this ugly monster of a matter was rearing its head once again. I was forced to suffer the uncertainty, doubts and fear of wondering why I was being subjected to the return of the same problems I had worked so hard to correct over the last several years. I wondered (and worried) why I was being forced once again to deal with a matter that I believed was resolved, a matter that had already taken such a huge mental, emotional, physical and financial toll on me. This brutal reality – a reality that, once again, was imposed upon me at no fault of my own – stripped from me any remaining energy and resolve to keep fighting for my good name and privacy. Thus, I began to accept that I had no choice but to look for an attorney to institute litigation on my behalf. I resented having to do so; there is no reason why a consumer should not be able to fix such a matter by myself.

I hate remembering everything I have been forced to go through. I am angry that the national CRAs get to disregard everything learned, or at least told to them, from my disputes over a several-year battle, as well as other litigation specifically including a lawsuit involving a consumer of the *same name* suffering from the *same problem* as me. I am very anxious and worried that this problem will continue to recur and if ignored, will worsen, leaving my privacy compromised and my credit tainted forever. This mental and emotional anguish, and its resultant

loss of trust, has left me reluctant to deal with everyday business matters specifically including requesting credit even when I need it.

I firmly believe that our society creates laws to prevent individuals from being damaged. Yet the national CRAs are somehow allowed to thumb their noses at these laws to my repeated anguish, disgust and dismay. Despite the enormous importance of credit information, I never anticipated how difficult and devastating it would be to try and clean up or correct my reports, resolve issues, or communicate with entities about this situation. The sheer volume of time, energy and resources necessarily devoted by me in my mostly-unsuccessful efforts is staggering.

It frustrates and maddens me that none of the entities charged with protecting and assisting me have any interest in me as a person and, seemingly, are okay leaving me in the dark as to how this all actually happened. It is apparent that they do not care just how much my life has been ruined. I find it this particularly devastating considering their only line of business is handling *my information*. Yet here I am, more than a decade later, still living with a question mark over when and where I will be hurt by this again.

All in all, my experience has led me to conclude that the system that houses credit reports is very, very broken. Any intent by Congress to offer citizens the tools they need to keep information safe has been overshadowed by the fact that large corporations that buy and sell information as a commodity ultimately own and control the process through which the integrity of information is secured. I found fighting this industry to be an impossible feat. There is nothing that requires the “system-machine” to yield to *common sense* when any reasonable person with value in the integrity or honesty of another human being would have given pause, or at least attempt to define the problem.

Perhaps most troubling is the doubts and fears that I must live with about the future. I am haunted by the fact that, even if my credit reports are clean *right now*, I no longer have control as to when and if I will be forced into this nightmare again. I did not cause the mixture of my information in the first place, and I certainly cannot control if it happens again in the future.

The bottom line is that my good name, in which I have vested a lifetime of hopes, dreams, hard work and responsibility, will forever be at risk. I must face this reality that the information that once was so personal will never again be mine and mine alone. And this is a loss for which no one can ever fully compensate me.