



The Capitol Granger

Regular news from your Grange lobbyist

What can force credit reporting firms to protect your data from thieves

by Craig Loughridge
Assistant Director for Governmental Affairs

The last issue of The Capitol Granger shed light on the theft of data from credit reporting company Equifax, and on the difficulty for individuals to protect themselves. This issue looks at what Oregon government might do to help more than a million Oregonians whose personal credit data was stolen.

By now I'm sure that tens of thousands of Oregonians have found themselves in a position similar to my family: facing the same hurdles and uncertainty in protecting their personal data (see *Does super cyber hack reveal weakness in laws on credit reporting firms?* Sept. 15, 2017).



Oregon lawmakers and regulators don't seem ready to concede there's a problem, or at least one that can be fixed. But many are ready to study the case, as well as the controversy surrounding it. Just as troubling as the hack itself was that Equifax didn't alert news media or consumers about the theft of data for months after it occurred and weeks after the company learned about it.

Tech researchers discovered and reported Equifax's computer vulnerability in March 2017, and hackers used the weakness in May 2017 to break in and steal data, a lawyer from the Oregon Attorney General's office told an interim committee of Oregon's House of Representatives. Deputy Director Cheryl Hiemstra said Equifax learned of the break-in

in late July, but didn't report the theft publicly until Sept. 7.

This lag left consumers unaware that thieves had possession of their private, financial data. Meanwhile, criminals were using the data to replicate real accounts, then using the accounts at businesses across the country.

Some thefts were blocked by deposit institutions' fraud departments. Other thefts were not. So far, no tally has been made of the dollar losses from this cyber heist. A credit expert and former employee of Equifax told USA Today that the total amount of the damage may never be known.

More Resources on the Equifax Data Breach

Report to Oregon legislature (Sept. 2017):
http://oregon.granicus.com/MediaPlayer.php?view_id=6&clip_id=24176

Blog tips from the Federal Trade Commission:
www.consumer.ftc.gov/blog/2017/09/equifax-data-breach-what-do

FTC website to report fraudulent use of your information:
www.identitytheft.gov/Info-Lost-or-Stolen



The question now is how to compensate consumers who were harmed, or how to keep them safe from criminals who can use their data far into the future. The courts aren't likely for years to resolve the compensation issue. This leaves legislators and regulators to decide if they'll change state laws to improve protection for Oregon victims of the breach.

Most legislators so far are playing their cards close to their chests. A few cautioned against counting on state legislation for help.

"...this type of legislation would be far more effective coming at the federal level since these companies operate in multiple states," said Silverton's Rep. Rick Lewis in an email last month.

Many legislators seemed unaware of whether action could or should be taken at the state level, and referred questions to the offices of Rep. Paul Holvey or Sen. Floyd Prozanski. Holvey chaired a discussion over the Equifax breach during a meeting of the House Interim Committee on Business and Labor in September. Prozanski chairs the Senate's Interim Committee on the Judiciary.

"We're currently exploring potential concepts for the February session and ongoing concepts for 2019, depending on their level of support and complexity," Holvey replied in an email. "Right now we're at the initial level of discussion with stakeholders representing industry and consumers."

The legislature's 2018 session is scheduled to run from Feb. 5 thru March 9.

While most lawmakers seem undecided about how to approach the theft of credit bureaus' consumer data, it seems ironic that, while the Equifax theft was happening, two Oregon representatives were pushing a

bill in the 2017 session to expand protection for consumers whose data was stolen. Corvallis Democrat Dan Rayfield and Albany Republican Andy Olson cosponsored [House Bill 2581](#) to improve reporting of data breaches and expand penalties against companies that don't adequately protect personal data. The bill died in committee without being given a hearing.

If you have ideas about how state legislators could improve Oregon law to better protect consumers from theft of their personal data, please share those ideas with me and your state legislators.

State law already requires credit bureaus to provide a free 7-year fraud alert on the credit reports of consumers who contact each credit bureau and show they've been the victim of identity theft. But what about those consumers whose data has been stolen and not yet used? Who should bear the burden of making sure it never gets used?

Please contact the Oregon State Grange with your ideas and questions about what you think state legislators should or could do. Just as importantly, if you have a personal story about how the Equifax data theft directly affected you or someone you know, please contact me to share it.

Don't forget to check the Equifax website to see if your personal data was compromised. Go to www.equifaxsecurity2017.com, then click the "Potential Impact" link under the headline near the top of the page.

Email comments or questions about *The Capitol Granger* to: govaffairs@orgrange.org.



Lowell Grange #745, on the north side of Dexter Lake, southeast of Eugene in Lane County.