

Oregon Consumer Identity Theft Protection Act Senate Bill 583

Each year, thousands of Oregonians become victims of identity theft. Victims of identity theft may incur damaged credit records, unauthorized charges on credit cards, and unauthorized withdrawals from bank accounts.

Senate Bill 583, the Oregon Consumer Identity Theft Protection Act, will provide Oregon consumers with protections against identity theft. The purpose of the law is to provide a level of assurance to consumers that their personal information will be safeguarded, and decrease incidents of identity theft in a meaningful way. Most of the provisions of this law will take effect on October 1, 2007.

SB 583 contains strong standards for safeguarding personal information, requires notification to consumers if there is a breach of security that may result in a disclosure of information, and gives consumers the right to request a security freeze of their credit file to provide some protection against a identity thief obtaining credit in their name. The law will apply to all entities that handle personal information, whether they are in the public or private sector.

More specifically, the law contains the following protections:

Safeguarding Personal Information Personal information means a name that is also linked with a social security number, driver's license number or financial account number. The law requires businesses and organizations that collect personal information from an individual, such as driver's license numbers or social security numbers, to have reasonable safeguards to protect the security and confidentiality of the personal information. The bill sets out a set of guidelines which would meet the standards for safeguarding. It also recognizes that safeguarding measures must be tailored to fit individual circumstances and that small businesses can adopt measures appropriate to their size, activities, and the sensitivity of the information they collect.

Protecting Social Security Numbers Consumers are especially vulnerable to identity theft if their social security number falls into the wrong hands. The law prohibits the public display or disclosure of more than the last four digits of a social security number. It creates an exception for records that are required by law to be made available to the public.

Notification of a Breach. A security breach is the unauthorized Acquisition of computerized data that compromises the safety of personal information. If a security breach does occur, it is essential that consumers be notified. The law requires notification be provided to individuals whose personal information was subject to a security breach. The notification must be given in the most expeditious time possible, but may be delayed if immediate notification would compromise any criminal Investigation, or waived if it is determined that a breach is unlikely to Result in any harm to consumers. In most cases the notice will be written notice, but the law allows for electronic notice if that is the primary method of communication between the individual and business, or telephone notice if the individual is contacted directly. If the cost of notification is more than \$250,000 or the number of individuals to be notified is more than 350,000, the business may notify through major television and newspaper media.

Right to a Security Freeze. If an identity thief uses personal information to apply for credit in the consumer's name, it can result in economic havoc. To help protect against this, the law gives

any Oregonian the right to request a security freeze on his or her credit file maintained by a credit reporting agency. The credit reporting agency may not charge a fee to a consumer who is a victim of identity theft or who has reported to a law enforcement agency the theft of personal information. For other consumers, the credit reporting agency may charge a reasonable fee of not more than \$10. If a credit file has been frozen, the bill gives the individual the right to "unfreeze" his or her file to make an application for new credit. Certain entities are exempt from the freeze, such as law enforcement agencies, insurance companies, judgment creditors, credit monitoring services or pursuant to a court order or subpoena. When a security freeze has been placed, any changes to the person's name, dob, ssn or address require notice to the person within 30 days.

Enforcement. Businesses and organizations which have responsibilities under this law need to be accountable. The law gives the department of Consumer and business services the ability to enforce the law. DCBS is working on outreach activities and information to educate consumers as to their rights and businesses as to their responsibilities.

For more information, go to www.dfcs.oregon.gov and click on identity theft or call 503-378-4140, or toll-free at 1 (866) 814-9710.