



## SENATE MAJORITY OFFICE

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## **Prozanski fights for consumers affected by data breaches** *SB 1551 responds to concerns following Equifax data breach*

SALEM – Sen. Floyd Prozanski, D-Eugene, has introduced a bill to help protect consumers whose secure information is compromised due to data breaches.

Senate Bill 1551 is a consumer protection bill in direct response to last fall's Equifax data breach that compromised the private information of 143 million Americans. The bill requires free and reasonable self-protection measures for consumers who may find themselves in that situation in the future. The legislation is a direct response to address the concerns of many constituents.

“When personal records are compromised, consumers should not have to pay to protect themselves from identity theft,” Prozanski said. “When these breaches occur, consumers also have a right to know that their personal data may not be safe as soon as it is possible to do that without compromising any investigation of the matter. With passage of Senate Bill 1551, we will update and strengthen Oregon’s Consumer Identity Theft Protection Act, which I spearheaded in 2007.”

Atlanta-based Equifax is a credit reporting agency that calculates credit scores based on information they have about consumers. Credit scores are crucial to a consumer’s ability to secure funds for large purchases such as a home or a car.

In September, the company reported that it was hacked and the data breach lasted from mid-May through July. The company’s records include social security numbers, birth dates, addresses and in some instances driver’s license numbers for around 143 million Americans. The hackers also stole credit card numbers for about 209,000 people and other documents. A

slow and incomplete response from Equifax angered people all over the country, leaving consumers to wonder what, if anything, they could do to protect themselves.

Under Senate Bill 1551, consumers will be able to place a credit freeze with each credit reporting agency for free following a data breach that has affected them. They also will be able to freeze their credit for no cost once every 12 months, regardless of data breach, and temporarily lift credit freezes free of charge.

Consumers will be required to receive notice of breach no more than 45 days after it is discovered, unless it takes longer to investigate and stabilize the system. Expanded notice requirements also will be put in place to include financial institutions, such as banks and credit unions, as well as credit and debit transaction processors.

Companies that offer free credit monitoring or other services in response to a breach will not be allowed charge for those customers for those services within 6 months of providing the services for free. Those companies also must be transparent about how much time is left of free services if and when they offer those services after the 6-month mark. Consumers in these cases must select to begin a paid process, when the service no longer is offered free of charge.

More information about the bill – released to the public on Jan. 22 prior to the upcoming 2018 Legislative Session, which kicks off on Feb. 5 – is available [online](#).

“Consumers have a right to know if their most personal identifying information is in the hands of bad actors,” Prozanski said. “No company should charge fees or make money based on a consumer’s response to a data breach. This bill will ensure consumers have adequate tools and protections in place in the unfortunate circumstance that this type of massive breach happens again. It’s worth noting that Rep. Paul Holvey has introduced a similar measure in the House. He and I are working together on passage of these bills.”

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