

Beacon Hill Byline by Mary Rogeness

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Protecting your Identity

Identity theft threatens all people who use credit cards, provide a social security number when required for medical or other services, have a home mortgage or a car loan. In other words, it threatens everyone.

I have written in earlier Bylines about ways to guard against misuse of our personal credit information. Unfortunately, I had to say that Massachusetts did not offer protections available in many other states. Last month the legislature took a giant step toward catching up.

This is what the house and senate propose.

Using sound bite language, we can say the bill calls for new responsibilities while providing rights and restrictions.

The new responsibilities come in several forms. All parties are held responsible for a security breach of information entrusted to them. A company would be required to notify possible victims quickly if electronic information has been stolen. That provision became a priority when millions of TJX customers learned long after the fact that such a breach took place in the summer of 2005.

A new responsibility comes to officials who deal with social security numbers. They will be required to mask those numbers, listing only the last digits when handling personal information.

Individuals will have the right to impose a freeze on access to credit reports maintained by national reporting agencies. After paying a \$5 fee, you can prevent the agencies from providing information to anyone. It will keep anyone from using your personal information to gain credit, but that also keeps you from accessing any new credit. You can “unfreeze” the report at the cost of another \$5 payment. Fees are waived if your identity has been compromised.

The house bill imposes restrictions on disposal of paper documents containing personal data. The measure responds to a notable lapse by the Boston Globe, when it wrapped bundles of newspaper in “scrap” paper that listed subscriber credit card numbers. In a separate breach, a tax preparation firm discarded boxes of taxpayer records in a dumpster. The house requires those papers to be shredded, burned, pulverized, or rendered illegible. The senate opposes that restriction, so it might not be in the final law.

Other details of the bills: They authorize the state Office of Consumer Affairs to make regulations to help Massachusetts keep pace with loopholes created by new technology. They define a breach of privacy as when an improper third party receives a person's name in combination with date of birth, Social Security number, credit card number, passport identification number, or other categories of personal data. They do not specify criminal penalties for breaking the law.

Bills have passed in both the senate and the house. The differences should not be deal-breakers, so I expect a conference committee to come up with a single document without too much trouble. We need new protections as soon as possible.

In the meantime, you can take steps to enhance your credit security. Please contact me if you would like a copy of the Byline discussing strategies for identity protection. Mary@Rogeness.com or 567-1661.