

Notes from SJR 38 – Identity Theft -- Work Group Meeting of January 9, 2006

Review of Security Freeze issues:

- Cost for thawing a freeze vs. initial cost for imposing one. (Claudia Clifford)
- Up to \$10 charge (Barbara Ranf)
- Insurance excluded – as CDIA bill does. Freeze only used regarding applications for credit (Larry Kibbee).
- What if adverse action? Most statutes do not reference this gray area. There are private rights of action, and references that applications are considered incomplete, but nothing regarding what happens if person grants credit or otherwise acts (employs or provides housing to person) without background check of credit and something bad happens. (Cort Jensen) – Issuer beware caution (Ron Ashabraner)
- Concern about application by phone/ email instead of by certified mail. As lawyer, would recommend a client never “freeze” credit unless do so by certified mail – creating a paper trail – Bruce Spencer. In contrast, certified mail poses cost and hassle – Claudia Clifford. Also a concern about timing. Could file a fraud alert by phone then send by certified mail, but there is a time delay. (Cort)

Third-party Marketing – California Shine the Light Law

- There was a discussion about the litigation already done in California. Questions about how much third-party marketing was related to ID theft. Concerns that expanding ID theft to incorporate third-party marketing may be too much too soon – not knowing what resources are needed (Steve Turkiewicz) and how effective current laws (HB 732) will be (working with what we’ve got – Riley Johnson).

More on Social Security Numbers

- Unclear what information can be on public documents, including court records. If the state records are public, then are social security numbers blocked out if document is requested?
- Concern that access to social security numbers now gives a way for insurance investigators to track down insurance fraud, helpful for child support – hidden liens, although there was recognition that a court order also could provide this information so privacy is protected.
- Recommendation that Economic Affairs Committee look at where state* collects SSNs.
- Redacted social security numbers are not secure or unique – because someone may have same last numbers.
- Motor Vehicle Division no longer gives SSNs to law enforcement as a result of meetings with Social Security Administration officials. Numbers given to child support enforcement if asked. (Dean Roberts)
- If someone does not have a social security number, Motor Vehicle Division will create a substitute version for a Commercial Driver’s License. MVD uses driver’s license numbers for own reference points. (Dean Roberts)

Data Storage & Disposal

- Chamber of Commerce recommends procedures set out by Federal Trade Commission.
- Reasonable protections for computerized records – are these available for state, local government and private records? (Bruce Spencer, Riley Johnson)
- Lots of effort on computer disposal. More direction needed on data management, storage, and when to dispose of data. How to safeguard data and access at state, particularly in connection with

the 35 counties that also use state computer system. Importance of encrypting backup storage tapes. (Mike Boyer)

- What is the training and what are the state policies for protecting data? (Dean Roberts)
- How are paper documents handled that may have private information and that may be the only record of certain material. (e.g. Trade school data for schools that no longer exist – Cort Jensen)
- State's information technology managers are looking at use of Social Security numbers (Mike Boyer)
- Need to inventory how personal information is maintained and how it is disposed of at state and local levels (Steve Turkiewicz)

In attendance:

Larry Kibbee for PCIAA

Riley Johnson for NFIB

Ron Ashabraner for State Farm Insurance

Barbara Ranf for Montana Chamber of Commerce

Donya Parrish for Montana Credit Union Network

Tracie Kenyon for Montana Credit Union Network

Cort Jensen for Dept. of Justice

Jim Kembel for MPPA/MACOP

Geoff Feiss for Montana Telecom Association

Steve Turkiewicz for Montana Bankers Association

Dean Roberts for Dept. of Justice MVD

Bruce Spencer for Montana Automobile Dealers Association

Mike Boyer – DOA, Information Technology

Claudia Clifford – AARP

* State includes local governments plus primary, secondary and post-secondary education units.