



Statement of Senator Dianne Feinstein
On the Need for Federal Identity Theft Legislation
February 23, 2005

Washington, DC – In light of the recent breach of data sold by ChoicePoint, Senator Dianne Feinstein (D-Calif.) today called for Congress to pass federal legislation that would give consumers more control over their personal data and would require that they be notified if their data has been compromised.

“The ChoicePoint situation is perhaps the biggest indication of the vulnerability and lack of protection of individuals’ personal data. As a result, identity theft incidents are escalating into the hundreds of thousands at a given time.

I’ve introduced three bills that I think would give Americans more control over their personal data and help them restore their good name when their information has been stolen:

- First is legislation that would require ChoicePoint and companies like it to notify affected individuals if there is a breach in their data system. This is an expansion of California law. I’ve called for an investigation and a hearing into this incident in the Senate Judiciary Committee, and I hope it can be scheduled soon.
- Second is legislation that would set a national standard for the protection of personal information. It would essentially require companies to ask consumers whether they would allow their most sensitive personal information to be sold (opt-in). And for less critical data, consumers could tell companies that they don’t want their data sold (opt-out).
- Third, is legislation that would prohibit the sale or display of Social Security numbers to the general public without individuals’ knowledge and consent. It would also prohibit government entities from displaying these numbers on public records that are posted on the Internet after the legislation’s effective date, as well as, prohibit the printing of Social Security numbers on government checks.

Identity theft is a vast and growing crime. We have close to 10 million victims a year now and approximately one million of them are from California. The average victim has to spend a great deal of time to re-establish their identity, and the disruption of their life is enormous. The only way you to fix the situation is with Federal legislation because we need an even playing field in every state. It is my hope that this incident will accelerate action and lead to greater protection of personal data.”

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