

RICHARD BLUMENTHAL
CONNECTICUT

COMMITTEES:

AGING

ARMED SERVICES

COMMERCE, SCIENCE, AND TRANSPORTATION

JUDICIARY

VETERANS' AFFAIRS, RANKING MEMBER

United States Senate

WASHINGTON, DC 20510

706 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510

(202) 224-2823
FAX: (202) 224-9673

90 STATE HOUSE SQUARE, TENTH FLOOR
HARTFORD, CT 06103

(860) 258-6940
FAX: (860) 258-6958

915 LAFAYETTE BOULEVARD, ROOM 230

BRIDGEPORT, CT 06604
(203) 330-0598

FAX: (203) 330-0608

<http://blumenthal.senate.gov>

September 11, 2017

Mr. Richard F. Smith
Chief Executive Officer
Equifax, Inc.
1550 Peachtree Street NE
Atlanta, GA 30309

Dear Mr. Smith:

As Americans scramble to secure their personal and financial information in the wake of the massive data breach disclosed by your company on September 7, 2017, it has quickly become apparent that Equifax's response to the breach represents a stunningly inadequate and insufficient remedy to a data breach of this scope, scale, and severity. The website designed to guide consumers through this data breach has multiple accessibility and usability issues and potential security flaws. The actual remedy offered to consumers – one year of free credit reporting provided by Equifax's subsidiary company TrustedID – is less than remedies commonly offered for much smaller, less extensive breaches. Even worse, your company appears to be attempting to profit from its own failure to secure highly sensitive consumer information.

In light of the unprecedented scope of this breach, Equifax should: (1) offer affected consumers free credit monitoring indefinitely, but no less than two years; (2) provide free credit freezes and identity theft insurance to affected consumers; (3) update terms of service to expressly waive all claims to forced arbitration; (4) provide a more user friendly website for consumers to determine if they are victims of this breach and how to obtain identity theft protections; and (5) launch a print, digital and radio advertising campaign so that all Americans are informed about this breach.

The size and scale of this breach represents a historic data disaster in its potential damage to consumers' financial identities. Your pathetic remedies offer scant protection – none of them pass the minimum test of fairness and safety. Your delay in alerting consumers threatens to multiply and magnify the damage to their financial lives. I will also be demanding the appropriate government agencies conduct a thorough investigation of the circumstances that led to this breach and how your company chose to respond once it was discovered, and hope you will cooperate fully.

Consumer protections offered in the wake of a breach should take into account the severity of the hack and the sensitivity of the personal information, and this was no minor incident. This cybersecurity incident exposed crucial personal information – including social

security numbers, birth dates, address histories, and legal names – for as many as 143 million Americans. Equifax’s information is so valuable, it is actually used by other entities, including banks and the government, to validate a person’s identity. And while core credit reporting databases may not have been infiltrated, data hacked may provide key clues to unlocking a treasure trove of information for any given user.

Consumers have reported one issue after another with the website that you have developed to provide information on the breach. Consumers have legitimately raised concerns that the website asks consumers to input the last six-digits of their social security number when only the last four are generally required. The idea of handing over two-thirds of their social security number to a company that had just failed to secure it, is likely to deter many consumers from finding out if they were actually affected. Moreover, the website only provides vague responses to consumers that do decide to trust your company – saying only that personal information “may have been impacted” and not providing a clear cut answer. The website’s terms of service also require users waive their rights to bring civil action in court.

These kinds of flaws are unacceptable and should have been discovered well before the website’s launch. Considering Equifax was aware of the breach on July 29 – more than a month ago – Equifax should have had more than enough time to root out all of these bugs had it devoted sufficient resources and treated this matter with the careful attention it deserves. Most consumers affected don’t have a direct relationship with Equifax and may not suspect that their information has been compromised – even after seeing news articles about this attack. In the absence of proactive notification to consumers and this profoundly unsatisfactory website, I ask that you coordinate an advertising campaign so that all Americans are aware of this breach and that their credit, accounts, and identities may be at risk.

Regarding the remedy provided, one year of free credit monitoring is woefully insufficient. Social security numbers cannot be easily changed and their value to identity thieves does not suddenly disappear after a year. I urge you to provide free credit monitoring for all consumers indefinitely. In addition, Equifax ought to provide identity theft insurance for all affected consumers. If you do not know exactly who was affected, I ask that you make all of these protections available for all Americans.

Finally, I am deeply troubled about Equifax’s attempt to profit from this breach. By only offering free credit monitoring for one year, worried consumers are likely to seek extended protection, and may sign up for additional years of credit monitoring through your company. TrustedID, the company you are directing victims to use, is a subsidiary of Equifax. Such services can cost an individual \$120-\$200 annually, adding up to a substantial sum for a household. In addition, Equifax has not waived the fees they impose on consumers who want to freeze their credit. At as much as \$10 per freeze, Equifax is poised to profit significantly from this breach. Not only should this fee be waived, but Equifax should also reimburse consumers who choose to freeze their credit at the other major credit reporting agencies. I am also troubled by reports that Equifax assigns PINs for unlocking a credit freeze based on the date and time the freeze was requested. Please confirm if this is true and if it is, what steps you plan to take to make sure your system for placing credit freezes implements the strongest security practices possible.

I appreciate your prompt consideration of these requests. I respectfully request a response no later than September 18, 2017.

Sincerely,

A handwritten signature in blue ink, reading "Richard Blumenthal". The signature is fluid and cursive, with the first name "Richard" being the most prominent.

Richard Blumenthal
United States Senate