

NYS SENATOR TOM O'MARA

58th District

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Guest Column

for the week of November 30, 2015 **“Don’t let ‘Cyber Monday’ spoil the season”**

Over the weekend I was glad to share a reminder about the difference we all can make for the region’s small businesses throughout the holidays by remembering to “shop small.” That’s a good message to keep front and center throughout the busy days and weeks ahead.

But there’s no ignoring “Cyber Monday,” the day after the traditional Thanksgiving weekend start to the holiday shopping season (which this year falls on Monday, November 30th) and the beginning of a rush of online purchasing that, according to reports, generates more than \$1 billion in spending by American consumers.

One thing we know for a fact about our rapid, global march into the world of e-commerce is that it’s become big, big business. But we also must recognize that there’s an unprecedented exchange of online information going on, which compels this reminder: Don’t overlook the privacy and other public policy issues raised by our leap into this segment of the modern economy.

The New York State Senate has held a number of legislative hearings over the years to give creditors, law enforcement officials, computer security experts, and others the opportunity to share their thoughts on mapping out more effective strategies to address a host of privacy concerns. The concerns run the gamut but inevitably they include one that’s become commonly known as “identity theft,” arguably the overriding fear underlying today’s online economy.

According to the Federal Trade Commission (FTC), data theft reached record levels last year while identity theft complaints rose from 2013. The FTC notes that all forms of fraud, including identity theft, cost American consumers about \$1.7 billion in 2014, or an average of more than \$2,000 per incident.

It’s clear that the availability of information in computer databases and the rapid growth of Internet commerce have produced a new breed of criminals who abuse technologies to steal consumer information and ruin consumer credit. Indeed, identity theft is widely considered the No. 1 and fastest-growing financial and consumer crime of this era.

The tactics of today’s cybercriminals change as fast as our technology, usually faster. It all serves to highlight the ongoing challenge to keep identity theft laws ahead of identity thieves. A decade ago, New York became the 43rd state in the nation to enact an identity theft law. But security studies continually point to the need to update our laws as frequently as cybercriminals update their ability to break them. It’s no easy task.

One important new law approved several years ago enabled consumers to place a security freeze on their credit reports if they suspect they are victims of identity theft. We’ve also strengthened New York’s identity theft protections by enacting laws to restrict the ability of employers to use an employee’s personal information and to allow identity theft victims to obtain restitution equal to the value of the time they spend fixing the damage, which is substantial. It takes an estimated average of 14 months for an identity theft victim to discover that his or her identity has been stolen. Victims then spend hundreds of dollars and devote more than 175 hours of their own time to clean up their credit reports after an identity theft has occurred, according to the federal General Accounting Office. Additionally, identity theft victims have been subject to other complications, including denial of loan applications and false criminal records.

In short, it’s costly and it’s time-consuming. So the first line of defense for every consumer is to be aware of identity theft, how it’s committed, and ways to protect against it. The FTC, the nation’s lead consumer protection agency, operates a website to promote online safety. Go to www.ftc.gov and click on the “Report Identity Theft” icon in the top, right-hand column of the home page.

Information can also be found on the New York State Consumer Protection Board’s website at www.dos.ny.gov/consumerprotection (click on “Identity Theft/Privacy” on the task bar at the top of the home page).

If you’d like a copy of a well-received New York State Senate brochure, “Protect Yourself from Identity Theft,” just e-mail your request to me at: omara@nysenate.gov.