

September 15, 2017

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G St. NW
Washington, D.C. 20548

Dear Mr. Dodaro,

I am writing to request that GAO conduct an investigation of data security issues related to U.S. credit reporting agencies, including a review of the causes and impacts of the July 2017 Equifax data breach that affected over 140 million Americans. I ask that this review encompass the response by Equifax, the impact on and rights of consumers, the role of and response by federal regulators prior to and in response to the breach, and the potential impact on key federal programs of data breaches at credit reporting agencies.

Equifax publicly revealed the breach – described as “one of the largest risks to personally sensitive information in recent years” – on September 7, 2017, 40 days after it was detected by the company. The company indicated that a vast trove of sensitive data belonging to over 140 million Americans — including Social Security numbers, credit card numbers, and driver’s license numbers — may have been compromised. The incident was the third recent instance of a data breach of Equifax or its subsidiaries that endangered American’s personal information.¹

The initial response by Equifax also raised several concerns. The company website that purported to provide consumers information on whether their information had been hacked provided no individual information – the response to all inquiries indicated only that an individual’s data “may have” been hacked. Equifax initially required consumers to sign away important rights to obtain this useless information. And the free credit monitoring offered by Equifax in the wake of the breach came with a catch – it required consumers to turn over credit card information, and was set to automatically charge them after one year.

The concerns about the Equifax breach are particularly stark because the company – and the two other large credit reporting agencies, Experian and TransUnion – occupies a unique place in the financial world: they obtain and use massive troves of data on millions of consumers, but

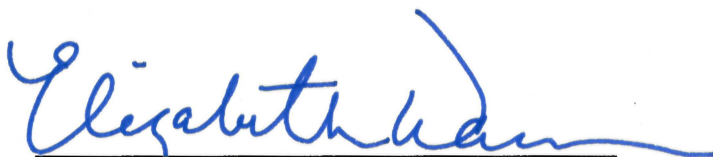
¹ Tara Siegel Bernard, Tiffany Hsu, Nicole Perlroth, & Ron Lieber, “Equifax Says Cyberattack May Have Affected 143 Million in the U.S.,” *New York Times*, Sept. 7, 2017, <https://www.nytimes.com/2017/09/07/business/equifax-cyberattack.html>.

consumers have little to no power over how this data is collected, how it is used, or how it is kept safe. Given ongoing concerns over data security issues, we ask that your review include:

1. A description of the current legal and regulatory structure with regard to oversight of credit reporting agencies, including the rules governing how they are able to obtain data, what they can do with it, and how it must be kept safe from hackers.
2. A summary of the rights of consumers with regard to credit reporting agencies, including their rights to govern the collection and use of their data, and the recourse that may be available to them in the event of a data breach.
3. A detailed review of the July 2017 Equifax breach, including an analysis of the cause of the breach and the company response, the companies' interaction with federal regulators, and the role (if any) that federal regulators played in resolving the breach and addressing the response.
4. An analysis of the role that credit reporting agencies play in implementation of federal programs like Social Security, Medicare, and Medicaid, and the impact or potential impact on these programs of large-scale data breaches at credit reporting agencies.

I ask that this report include a set of recommended administrative and legislative actions, as well as recommended actions for the private sector credit reporting agencies responsible for collecting and protecting the sensitive personal data of hundreds of millions of Americans.

Sincerely,



Elizabeth Warren
Ranking Member
Senate Subcommittee for Financial Institutions
and Consumer Protection