



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

May 18, 2022

[REDACTED]

Dear [REDACTED]:

I am writing to express my growing concern regarding credit bureaus selling sensitive consumer data to lenders. As Florida's Chief Financial Officer, protecting Floridians from identity theft and other scams is of paramount importance to me. Accordingly, I am urging Experian, Equifax, and TransUnion to exercise the most stringent precautions when giving away consumer data for profit.

Companies who handle consumer data need to act responsibly and be vigilant to ensure that this sensitive data is not compromised. However, all too often, large corporations fall short by being careless with consumer data. For example, in 2017, Equifax made itself vulnerable to a data breach that exposed the personal information of 147 million people.¹ Names, dates of birth, Social Security numbers, and physical addresses were among the types of information exposed in the Equifax breach.²

I am disturbed by the sheer scale of the Equifax breach and I worry that it could happen again if these credit bureaus continue to put profits over consumer safety. The credit bureaus earn profits by selling consumer data to lenders, a practice known as selling "trigger leads." Through trigger leads, lenders purchase lists of data on consumers who have credit characteristics that the lender desires to target. When consumers apply for loans and their credit is run, their information can quickly be sold by credit bureaus to lenders looking to make unsolicited offers. These offers often contain sensitive consumer-specific information that bad actors can use to steal identities, enter into fraudulent transactions, or worse.³

¹Federal Trade Commission, *Equifax Data Breach Settlement*, <https://www.ftc.gov/enforcement/refunds/equifax-data-breach-settlement>.

²Federal Trade Commission, *Equifax to Pay \$575 Million as Part of Settlement with FTC, CFPB, and States Related to 2017 Data Breach*, <https://www.ftc.gov/news-events/news/press-releases/2019/07/equifax-pay-575-million-part-settlement-ftc-cfpb-states-related-2017-data-breach>.

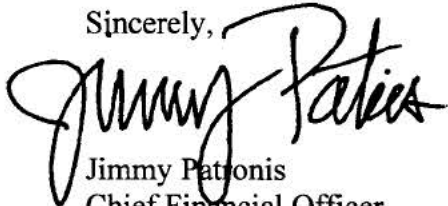
³Scott Steinberg, *The latest ways identity thieves are targeting you – and what to do if you are a victim*, CNBC (Feb. 27 2020), <https://www.cnbc.com/2020/02/27/these-are-the-latest-ways-identity-thieves-are-targeting-you.html>

Page Two
May 18, 2022

While trigger leads are currently legal, they expose consumers to identity theft if that information falls into the wrong hands.⁴ A caller can misrepresent who they are and why they are calling, and consumers may be tricked into divulging more personal or financial information to the caller.⁵ Accordingly, credit bureaus need think more about who they are selling consumer data to and less about profits. Pursuant to 15 U.S.C. § 1681e(a), credit bureaus are required to make reasonable efforts to verify the identity of a new prospective user of a consumer report. I ask that the credit bureaus please identify what, if any verification steps they take before selling consumer data.

Be advised that, if the credit bureaus do not want to improve their data safety practices, Florida will be here to ensure that these large corporations at least do right by Floridians. Pursuant to Section 501.171, Florida Statutes, corporations must take reasonable measures to protect and secure electronic data containing personal information. A corporation must notice each individual in Florida whose personal information was assessed due to a breach. Further, if any breach of security affecting 500 or more individuals in Florida occurs, the corporation must notice Florida's Department of Legal Affairs.

Sincerely,



Jimmy Patronis
Chief Financial Officer

c: Mr. Mark Begor, CEO, Equifax Inc.
Mr. Chris Cartwright, CEO, TransUnion LLC

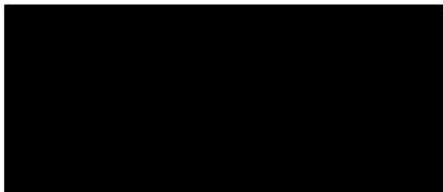
⁴Kenneth R. Harney, *Your mortgage application may trigger competitors to tempt you with offers*, The Washington Post (Feb. 27, 2018), https://www.washingtonpost.com/realestate/your-mortgage-application-may-trigger-competitors-to-tempt-you-with-other-offers/2018/02/26/7760f9e8-1b22-11e8-ae5a-16e60e4605f3_story.html.

⁵ *Id.*



JIMMY PATRONIS
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

200 East Gaines Street
Tallahassee, Florida 32399-0301



FIRST CLASS



US POSTAGESM PITNEY BOWES



ZIP 32399 \$ 000.53⁰
02 4W
0000355275 MAY 18 2022

9262687037 C037

