



Statement of Senator Feinstein on New Details of Major Data Breach

-- Nearly 10 times more victims than originally thought --
April 12, 2005

Washington, DC – Reed Elsevier, parent company of LexisNexis and Seisint, today announced that 310,000 people, nearly ten times more than the original estimate of 32,000 reported last month, may have had their personal information stolen by unauthorized persons using valid usernames and passwords of legitimate customers.

Reed Elsevier has identified 59 incidents since January 2003. The information accessed included names, addresses, Social Security numbers and driver's license numbers. Seisint, which LexisNexis bought in August, stores millions of individuals' personal information in its database. Their customers include police, legal professionals and public and private sector organizations.

“The news that this security breach is nearly 10 times worse than originally thought provides solid evidence on the need for a uniform national law that warns individuals when their personal information may be at risk,” said U.S. Senator Dianne Feinstein (D-Calif.). **“These security breaches are out of control. In the past 14 months there have been 12 major cases of database breaches exposing 10.7 million people to identity theft.”**

“Just yesterday, I introduced a stronger version of legislation that would help people to protect themselves from identity theft by requiring companies and organizations to notify individuals when their personal information has been compromised. This would allow individuals to place a 7-year fraud alert on their credit report and to take additional steps against fraud such as notifying their financial institutions and closely reviewing their statements for suspicious activity.

“Every day as people go about their business – every time they withdraw cash from the ATM or buy groceries using a credit card or get a traffic ticket – their information is entered into these huge databases without their ever knowing about it or giving their approval.

“Not doing anything is not an option. It would be criminal to expose millions of additional people to the risk of their personal information falling into the hands of those who have no right to it. This is a David verses Goliath battle. We need a national notification standard now.”

The Senate Judiciary Committee will hold a hearing tomorrow morning on the ChoicePoint data breach last fall, in which 145,000 individuals' personal information was sold to

identity thieves posing as legitimate business people. The hearing will begin at 9:30 a.m. and will take place in Dirksen 226.

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