

In the Arena

By Tom Conroy

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### Protecting Your Identity and Remaining Anonymous

We have a new identity protection law here in Massachusetts, and its important for individuals, government officials, and businesses to be aware of it, understand it, and be ready to utilize it. It is an example of government stepping in to the Ethernet in order to protect folks like you and me, the business community, and the common good. It also increases accountability within government, a noteworthy goal.

The new identity theft protection law requires businesses and the state and local governments to promptly notify consumers whose personal information - such as social security and credit card numbers - has been lost or stolen. The law also enables consumers in such situations to freeze access to their credit reports to prevent identity thieves from establishing credit in their names. The cost to individuals to place, lift or remove the freeze is only \$5.

We needed to enact this law because so much confidential personal information has been released via the internet and the because such breaches have cost businesses over \$50 billion annually. Since the February 2005 security breach of millions of credit card numbers and names at ChoicePoint, which is a provider of credit reports for millions of consumers, over 100 million personal identification numbers, names, credit cards numbers, and the like have been "lost" or exposed on the internet through other means. The list of breaches is frighteningly long and diverse: from the New York State Workers Compensation Board, which revealed confidential workplace injury reports of thousands of employees across the state, to the Boston Globe breach of subscriber names, to the recent TJX information security lapse involving over 45 million credit card numbers.

The new law, championed by Rep. Michael Rodrigues (D-Westport), and Sen. Mark Montigny, who are the co-chairs of the Joint Committee on Consumer Protection, also set high standards for government entities to dispose of personal information properly. For example, documents containing personal information are to be burned, pulverized or shredded.

What does this new law mean for each of us? At one level, it helps us focus on simple steps we can and should take to protect ourselves from identity theft, such as those listed by the Massachusetts Office of Consumer Affairs:

1. Use an assigned number other than your social security number on your drivers license.
2. Check your credit reports annually.
3. Shred papers with confidential information before disposing.
4. Check your bank and credit card statements carefully each month for any unexplained activity.
5. Store your social security card in a safe location other than your purse or wallet.

If someone is trying to use your identity fraudulently, or your confidential personal information has fallen into the wrong hands, you should take the following action:

1. Contact your creditors and banks immediately.
2. Begin keeping records
3. Flag your credit file for fraud.
4. Review your credit reports
5. Report the crime
6. Address public record errors

For more information, contact the Massachusetts Office of Consumer Affairs at 1-888-283-3757.

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Another significant development this summer in the state involves the question of casino gambling, and whether we should allow it in Massachusetts. I am interested in hearing your thoughts on this complicated issue. Preliminary research into the question yields a brief outline of considerations offered by pro and con groups.

Proponents of casino gambling in Massachusetts point primarily toward the potential economic and tax benefits to the state. In short, new jobs will be created, and some portion of the profits at the casino/resort will be taxed by the state, thus expanding the state's revenue base, potentially by \$100 million or more. What could be better, the proponents say, than expanding the tax base without raising taxes?

Opponents discount such potential benefits at several levels. Some question certain statistical methodologies that are used to estimate revenues and profits, and therefore the estimated tax receipts. Some worry about cannibalization of lottery revenues, saying that net casino tax receipts will be offset by a significant drop in lottery receipts. Others have produced studies demonstrating that on balance, no new jobs were created in other states after casinos were built.

Opponents also list other concerns that involve increased costs for the state. These include potentially increased state spending for gambling addiction counseling, public safety, transportation upgrades and maintenance, and drug addiction rehabilitation.

Also worth noting is the potential start up costs to the state if we were to move forward on casinos. Who will pay for the investment bankers to calculate the appropriate value of casino license? Who will pay for the legal team to negotiate the tax revenue deal with the casino developers on behalf of the state? What taxes will need to be raised to pay for the regulatory body that will oversee gambling in the state going forward? Will the Governor's focus on economic growth and creating new jobs at existing Massachusetts businesses take a back seat to getting the dice rolling in the state? What are the opportunity costs of going forward with casinos?

There's a common phrase about the gambling capital of the United States: "What happens in Vegas, stays in Vegas." It leads one to wonder: does Massachusetts want to be following in the footsteps of a place in which either no one wants to be held accountable for their actions or they want to remain completely anonymous?

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