

Representative Lisa Sobecki and Jeffrey Crossman House District 45 and House District 15

House Bill 432: Data Breaches of State Agency Computer Systems December 7, 2022

Chair Fraizer, Vice Chair Hall, Ranking Member Lightbody, and members of the House Technology and Innovation Committee: Thank you for the opportunity to provide testimony in support of House Bill 432.

House Bill 432 came about due to experiences not only our constituents by Ohioans throughout the entire state had with Ohio's broken unemployment insurance system, and through our oversight efforts and commitment to addressing critical problems plaguing Ohio UI. House Bill 432 directly addresses the current need of Ohioans and responds to issues they faced. It also will better prepare our state for the future.

On January 25th, 2022 ODJFS announced that they would provide free credit monitoring for Ohioans who had their identities stolen in relation to Ohio's unemployment system. The announcement was "a day late and a dollar short." It was reported that Ohioans had their accounts hacked and identities stolen last fall.¹ So far the action taken by ODJFS has been minimum and insufficient to fully provide transparency and accountability to taxpayers.

The systemic problems faced by thousands of Ohioans who had both traditional UI and PUA claims are well known and well reported. More information is needed, thus the need for our companion legislation, House Resolution 127, but it appears that the Ohio Department of Jobs and Family Services system was breached, and Ohioans' personal information was compromised.

House Bill 432 does two things. First, it requires any state agency experiencing a date breach that compromises the security of an Ohio's resident personal information to provide at least 3 years of credit monitoring at no cost to the Ohioan. Second, it requires

<u>Updated%3A%20Aug.&text=The%20Ohio%20Department%20of%20Job%20and%20Family%20Services%20expects</u> %20in,to%20ODJFS%20spokesman%20Bill%20Teets. Visited 2/15/2022.

¹ <u>https://www.cleveland.com/open/2021/08/scammers-have-hijacked-some-ohio-unemployment-accounts-though-state-denies-</u>

hacking.html#:~:text=Scammers%20have%20hijacked%20some%20Ohio%20unemployment%20accounts%2C%20t hough%20state%20denies%20hacking,-

the State Chief Information Officer to conduct a risk assessment of each agency's computer system and to make recommendations for security upgrades every 2 years.

As it relates specifically to ODJFS, Ohioans who have worked hard their whole lives and now rely on Unemployment after they lost their job through no fault of their own and have had their benefits stolen, and Ohio businesses paying into the Unemployment Trust Fund because of the work their employees perform for their business should feel confident that the State is taking the correct steps to be accountable and protect their information going forward. Additionally, every Ohioan and every Ohio business should feel confident that House Bill 432, if enacted, would help secure their personal information regardless of which agency they interact with.

Thank you for the opportunity to provide testimony and we are happy to answer any questions.