Experian won't seek renewal of contract

Company provided credit monitoring after data breach

By Tim Smith
Staff writer

COLUMBIA — Experian, whose credit-monitoring service won a $12 million, no-bid contract with the state last year after a hacker exposed personal information belonging to millions of South Carolina taxpayers, isn't seeking a renewal of its contract but is offering deals for those who extend their memberships.

South Carolinians who signed up for Experian as a result of the state Department of Revenue data breach last October are receiving renewal offers of 99 cents per month, Greg Young, an Experian spokesman, told GreenvilleOnline.com.

"Many individuals have been using the product for a number of months, and Experian is providing a very reasonable rate to continue with a product they understand and find useful," he said.

Experian advertises its services on its website for individuals at rates between $14.95 and $15.95 a month. About 1.5 million South Carolinians signed up to be covered by Experian following the data breach.

Young said the company, which agreed to provide a one-year protection plan for South Carolina taxpayers after negotiations with Gov. Nikki Haley last October, decided not to participate in the most recent state solicitation because of the extensive requirements for a $10 million contract.

"The marketing, service and product delivery requirements of the state were extensive compared to current limitations of the state-appropriated budget," he said.

Lawmakers and state officials this year decided to seek a vendor to continue credit-monitoring but have opened the process up to competitive bidding and a lower price tag than last year.

Haley has said her administration

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chose Experian because of its vast experience. The firm is one of the three credit bureaus whose reports provide credit scores for millions of Americans.

While individuals are being offered a discount to renew, families aren't, Young said.

"South Carolina residents can purchase Experian's retail version of the Family Secure product at their own expense - if they want to continue to benefit from the product when their free memberships expire," Young said.

"Additionally, a responsive bidder to the state's RFP may offer product coverage to certain populations -- minors, those without credit reports, etc. -- at the state's expense."

Sen. Kevin Bryant, an Anderson Republican who co-chaired a panel that investigated the Department of Revenue breach, said he was surprised Experian wasn't trying to win another contract but said its offer to taxpayers sounded reasonable.

"They might just think so many people have already set up with Experian, instead of switching to another, people will pay the $12 and stay," he said.