

Officials in the Village of Nashotah, in Waukesha County, are acknowledging to me that they authorized the payment of \$2000 in ransom, via Bitcoin, to hackers who successfully wiped out most of the village's voting and employment records. Village Clerk Cindy Pfeifer says most of the village's encrypted files were hit by the hackers, including voting records and likely employee personnel records.

Pfeifer said the village's insurance carrier agreed to cover the cost of the ransom. She said the ransom was paid by using Bitcoin, a digital currency often used for criminal transactions, and was paid by the village's information technology consultant, R.A. Smith Services.

Village President Rich Lartz told me the payment was not approved by the Village Board and that other board members were notified of the hack and the ransom payment only after the fact. When I asked Lartz why the village made a ransom payment to criminals without approval of the village board, he replied "We just did."

Lartz said the Nashotah Police and Waukesha County Sheriff's Department were notified. The village clerk said the records were restored after the ransom was paid.

Nashotah has no guarantee the stolen voting records were not digitally copied or that the employee personnel records will not be used for identity theft. Now that Nashotah has paid the ransom, the village may be vulnerable to new attacks as hackers are aware the community is willing to cough up cash each time it is hacked. I am aware of no legal authority for a Wisconsin government to authorize payments to criminals engaging in a crime.

Mark Belling
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