



General Assembly

February Session, 2006

Substitute Bill No. 5694

* _____ HB05694JUD __ 041106 _____ *

AN ACT CONCERNING IDENTITY THEFT AND THEFT OF PERSONAL INFORMATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2006*) (a) As used in this
2 section:

3 (1) "Business" means a sole proprietorship, partnership, corporation,
4 association, limited liability company or other entity, whether or not
5 organized to operate for profit, including, but not limited to, a financial
6 institution organized or chartered, or holding a license or
7 authorization to conduct business under the laws of this state, any
8 other state, the United States or any other country, or the parent,
9 affiliate or a subsidiary of such financial institution.

10 (2) "Customer" means a person who provides personal information
11 to a business for the purpose of purchasing or leasing a product or
12 obtaining a service from such business.

13 (3) "Personal information" means the following information that
14 identifies, relates to, describes or is capable of being associated with a
15 particular individual: (A) Signature, (B) Social Security number, (C)
16 physical characteristics or description, (D) passport number, (E)
17 driver's license or state identification card number, (F) insurance policy
18 number, (G) bank account number, (H) credit or debit card number, or

19 (I) individual financial information.

20 (4) "Record" means any material, regardless of physical form, on
21 which information is recorded or preserved by any means, including
22 in written or spoken words, graphically depicted, printed or
23 electromagnetically transmitted. "Record" does not include publicly
24 available directories containing information a person has voluntarily
25 consented to have publicly disseminated or listed, such as name,
26 address or telephone number.

27 (b) A business shall take all reasonable steps to destroy or arrange
28 for the destruction of a customer's records within its custody or control
29 containing personal information which is no longer to be retained by
30 the business, by shredding, erasing or otherwise modifying the
31 personal information in those records to make it unreadable or
32 indecipherable through any means to: (1) Ensure the security and
33 confidentiality of such customer's personal information, (2) protect
34 against any anticipated threats or hazards to the security or integrity of
35 customer personal information, and (3) protect against unauthorized
36 access to or use of customer personal information that could result in
37 substantial harm or inconvenience to the customer.

38 (c) A disposal business that conducts business in this state or
39 disposes of personal information of residents of this state shall take all
40 reasonable measures to dispose of records containing personal
41 information by implementing and monitoring compliance with
42 policies and procedures that protect against unauthorized access to or
43 use of personal information during or after the collection and
44 transportation and disposal of such information.

45 (d) This section does not apply to any of the following: (1) A bank,
46 credit union or financial institution, as defined under the federal
47 Gramm Leach Bliley Act, 15 USC 6801, et seq., that is (A) subject to the
48 regulation of the Office of the Comptroller of the Currency, the Federal
49 Reserve, the National Credit Union Administration, the Securities and
50 Exchange Commission, the Federal Deposit Insurance Corporation, the

51 Office of Thrift Supervision of the United States Department of the
52 Treasury, or the Connecticut Department of Banking, and (B) subject to
53 the privacy and security provisions of the Gramm Leach Bliley Act, 15
54 USC 6801, et seq., (2) a health insurer or health care facility that is
55 subject to and in compliance with the standards for privacy of
56 individually identifiable health information and the security standards
57 for the protection of electronic health information of the Health
58 Insurance Portability and Accountability Act of 1996, or (3) a consumer
59 reporting agency that is subject to and in compliance with the Federal
60 Credit Reporting Act, 15 USC 1681, et seq.

61 (e) The Attorney General may institute a civil proceeding in the
62 superior court against a business to enforce the provisions of this
63 section.

64 (f) Any business that violates subsection (b) or (c) of this section
65 shall be fined not more than two thousand dollars per occurrence.

66 Sec. 2. (NEW) (*Effective October 1, 2006*) (a) As used in this section:

67 (1) "Scanning device" means a scanner, reader or any other
68 electronic device that is used to access, read, scan, obtain, memorize or
69 temporarily or permanently store information encoded on a magnetic
70 strip or stripe of a payment card.

71 (2) "Reencoder" means an electronic device that places encoded
72 information from a magnetic strip or stripe of a payment card onto a
73 magnetic strip or stripe of a different payment card.

74 (3) "Payment card" means a credit card, charge card, debit card or
75 any other card that is issued to an authorized card user and that allows
76 the user to obtain, purchase or receive goods, services, money or
77 anything else of value from a merchant.

78 (4) "Merchant" means a person who receives, from an authorized
79 user of a payment card or from someone the person reasonably
80 believes to be such an authorized user, a payment card or information

81 from a payment card or what the person reasonably believes to be a
82 payment card or information from a payment card, as an instrument
83 for obtaining, purchasing or receiving goods, services, money or
84 anything else of value from the person.

85 (b) No person shall use a scanning device to access, read, obtain,
86 memorize or temporarily or permanently store information encoded
87 on a magnetic strip or stripe of a payment card without the permission
88 of the authorized user of the payment card and with the intent to
89 defraud the authorized user, the issuer of the authorized user's
90 payment card or a merchant.

91 (c) No person shall use a reencoder to place information encoded on
92 a magnetic strip or stripe of a payment card onto a magnetic strip or
93 stripe of a different card without the permission of the authorized user
94 of the card from which the information is being reencoded and with
95 the intent to defraud the authorized user, the issuer of the authorized
96 user's payment card or a merchant.

97 (d) The Attorney General may institute a civil proceeding in
98 superior court against any person who violates subsection (b) or (c) of
99 this section.

100 (e) Any person who violates the provisions of subsection (b) or (c) of
101 this section shall be fined not more than ten thousand dollars and
102 imprisoned not less than one year or more than ten years, or both.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	New section
Sec. 2	October 1, 2006	New section

GL *Joint Favorable Subst.*

JUD *Joint Favorable*