



Connecticut **Business & Industry** Association

Testimony Of
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Connecticut Business & Industry Association
Judiciary Committee
Legislative Office Building
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My name is Kevin Hennessy. I am a staff attorney for the Connecticut Business and Industry Association (hereinafter "CBIA"). CBIA represents approximately 10,000 member companies in virtually every industry. They range from large, global corporations to small, family owned businesses. Approximately 90 percent of our member companies have fewer than 50 employees.

CBIA is opposed to **SB 671**, *AAC Identity Theft*, because it is too broad and it will increase unnecessary lawsuits against businesses.

Identity theft is a very serious problem that affects individual citizens and businesses alike, endangering private lives and Connecticut's economy.

However, CBIA does not want the general assembly to enact overly broad identity theft legislation that will encourage lawsuit abuse. Rather, CBIA wants identity theft legislation that will increase penalties for identity thieves and encourage reasonable safeguards to protect personal identifying information.

Problem Areas of **SB-671**:

- Section 2 of the proposed bill states that the government, any person or business, responsible for the loss of personal identification information resulting in identification theft is responsible for two years of identity theft monitoring. Rather than penalizing businesses that already take measures to protect personal identification information, it would be better to penalize the actual identity thief. The identity thief should be the one responsible for paying for identity theft monitoring services and the costs and fees incurred to restore an individual's identity.
- Section 3 of the proposed bill states that a victim of identity theft may bring a civil action against the person, entity or government that is responsible for the negligent, reckless or intentional unauthorized disclosure of personal identifying information. Businesses are already subject to specific federal

requirements regarding personal identifying information under the Gramm-Leach-Bliley Act of 1999, 15 U.S.C., the Health Insurance Portability and Accountability Act of 1996, (P.L. 104-191) and the Fair Credit Reporting Act, 15 U.S.C. § 1681 et. seq. Subjecting businesses to potential state civil actions is unnecessary. Additionally, Section 3 offers too broad of a standard for violation. Rather than casting a wide net and including negligent, reckless or intentional behavior, the bill should be narrower and limited to intentional behavior. This would prevent potential lawsuit abuse.

CBIA has already reached out to the Governor's office and the General Law Committee (which has approved multiple identity theft bills) to indicate our support to enact meaningful identity theft legislation this session. We are optimistic that comprehensive identity theft legislation will be enacted and that the overly broad **SB 671**, should not be approved. Therefore, we urge the committee **to reject SB 671**.

Thank you for the opportunity to voice our concerns.