



**Testimony of AARP Connecticut
On S.B. 838, "An Act Concerning Consumer Privacy and Identity
Theft"
General Law Committee
Feb. 24, 2009**

On behalf of more than 630,000 AARP members in Connecticut, I am here today to support S.B. 838, An Act Concerning Consumer Privacy and Identity Theft. Victims of identity theft spend, on average, \$1,180 and 60 hours cleaning up their credit record. Damaged credit makes it tougher to get a good interest rate on a car loan, home mortgage or credit card.

Identity theft-related fraud continues to dominate the Federal Trade Commission's (FTC) list of top frauds. One recent national study estimated that 15 million Americans were victimized by identity theft-related fraud in the 12 months ending in mid-2006. As a result, preventing identity theft and related frauds has been a top priority for AARP and other consumer advocates. An AARP study showed that 81% of older consumers are concerned about becoming a victim of identity theft.

Breach of personal information and identify theft are two issues that are extremely difficult to manage for all consumers. However, when it happens to the frail and elderly consumer it becomes a huge financial crisis. More than 1/2 of all persons 65 and older rely on their social security check for most of their income. If this consumer becomes a victim of identity theft, their entire ability to function financially stops. The emotional toll on a person who worked hard to build a life time of good credit can be devastating.

The Governor's proposed legislation S.B. 838, An Act Concerning Consumer Privacy and Identity Theft contains several strong provisions that will protect the identity and security of Connecticut residents. This bill broadly defines "personal identifying

information” to include most, if not all, examples of information that can be stolen. It contains a comprehensive breakdown of potential offenses, with penalties reasonably related to the severity of the crime.

AARP is also supportive of the enforcement mechanisms in the bill. Significantly, this bill provides a private right of action for aggrieved parties. The damages are adequate—even providing for treble damages—and restitution is provided to make the victim whole. The bill would also extend the statute of limitations from two to three years. Additionally, there is a provision that mandates the correction of the public record when false information on an individual is on the record by virtue of an offense by another.

AARP commends the dual authority of the Commissioner of Consumer Protection and the Attorney General under this bill. We also commend the imposition of a restitution structure that is fair, reasonable, and self-sustaining. S.B. 838 creates a non-lapsing Privacy Protection Guarantee account within the General Fund to be used by the Commissioner of Consumer Protection to reimburse losses to victims of identity theft, who were unable to collect on a judgment as outlined in the bill. The Privacy Protection Guarantee account will be funded by certain civil penalties, fines and proceeds from the sale of “ill gotten gains” covered by the legislation. And, if funds in the account run out, victims would be reimbursed when funds become available.

The changes described in S.B. 838, will significantly enhance Connecticut’s identity theft laws and will give seniors and their families the protection needed to avert a financial disaster. AARP urges members of this Committee to support S.B. 838.