

and this bill will significantly advance those efforts.

Again, I thank the gentleman from Florida (Mr. MCCOLLUM) for bringing this measure to the floor. I thank my local constituent, Jody Gorran, for bringing this to my attention. I want to specifically thank Erica Bryant from the staff of the gentleman from Florida (Mr. MCCOLLUM) for her very, very hard work and dedication to this issue, and of course to my staffer, Liz Nicolson, who has really worked with me to see this to success on the floor tonight, because it really does suggest that this is about protecting our children.

Is it fool-proof? No. Will it do everything? No, of course it will not. But it gives those organizations one more tool in their arsenal to protect our children.

I want to thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her help on this bill and the National Center for Missing and Exploited Children for weighing in on this issue when it was most timely during committee hearings that the chairman agreed to hear on this bill, and again I thank my colleagues for not only supporting the portion that I am here today to speak on, but the entire bill, because it will be an effective tool for law enforcement in this country.

Ms. JACKSON-LEE of Texas. Madam Speaker, this is a great bill, and I hope we can make sure it passes, and I yield back the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the Senate bill, S. 2202, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

IDENTITY THEFT AND ASSUMPTION DETERRENCE ACT OF 1998

Mr. MCCOLLUM. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4151) to amend chapter 47 of title 18, United States Code, relating to identity fraud, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Identity Theft and Assumption Deterrence Act of 1998".

SEC. 2. CONSTITUTIONAL AUTHORITY TO ENACT THIS LEGISLATION.

The constitutional authority upon which this Act rests is the power of Congress to regulate commerce with foreign nations and among the several States, and the authority to make all laws which shall be necessary

and proper for carrying into execution the powers vested by the Constitution in the Government of the United States or in any department or officer thereof, as set forth in article I, section 8 of the United States Constitution.

SEC. 3. IDENTITY THEFT.

(a) ESTABLISHMENT OF OFFENSE.—Section 1028(a) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking "or" at the end;

(2) in paragraph (6), by adding "or" at the end;

(3) in the flush matter following paragraph (6), by striking "or attempts to do so,";

(4) by inserting after paragraph (6) the following:

"(7) knowingly transfers or uses, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law;"

(b) PENALTIES.—Section 1028(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking "or" at the end;

(B) in subparagraph (C), by adding "or" at the end; and

(C) by adding at the end the following:

"(D) an offense under paragraph (7) of such subsection that involves the transfer or use of 1 or more means of identification if, as a result of the offense, any individual committing the offense obtains anything of value aggregating \$1,000 or more during any 1-year period;"

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "or transfer of an identification document or" and inserting ", transfer, or use of a means of identification, an identification document, or a"; and

(B) in subparagraph (B), by inserting "or (7)" after "(3)";

(3) by amending paragraph (3) to read as follows:

"(3) a fine under this title or imprisonment for not more than 20 years, or both, if the offense is committed—

"(A) to facilitate a drug trafficking crime (as defined in section 929(a)(2));

"(B) in connection with a crime of violence (as defined in section 924(c)(3)); or

"(C) after a prior conviction under this section becomes final;"

(4) in paragraph (4), by striking "and" at the end;

(5) by redesignating paragraph (5) as paragraph (6); and

(6) by inserting after paragraph (4) the following:

"(5) in the case of any offense under subsection (a), forfeiture to the United States of any personal property used or intended to be used to commit the offense; and"

(c) CIRCUMSTANCES.—Section 1028(c) of title 18, United States Code, is amended by striking paragraph (3) and inserting the following:

"(3) either—

"(A) the production, transfer, possession, or use prohibited by this section is in or affects interstate or foreign commerce; or

"(B) the means of identification, identification document, false identification document, or document-making implement is transported in the mail in the course of the production, transfer, possession, or use prohibited by this section."

(d) DEFINITIONS.—Subsection (d) of section 1028 of title 18, United States Code, is amended to read as follows:

"(d) In this section—

"(1) the term 'document-making implement' means any implement, impression,

electronic device, or computer hardware or software, that is specifically configured or primarily used for making an identification document, a false identification document, or another document-making implement;

"(2) the term 'identification document' means a document made or issued by or under the authority of the United States Government, a State, political subdivision of a State, a foreign government, political subdivision of a foreign government, an international governmental or an international quasi-governmental organization which, when completed with information concerning a particular individual, is of a type intended or commonly accepted for the purpose of identification of individuals;

"(3) the term 'means of identification' means any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including any—

"(A) name, social security number, date of birth, official State or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number;

"(B) unique biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

"(C) unique electronic identification number, address, or routing code; or

"(D) telecommunication identifying information or access device (as defined in section 1029(e));

"(4) the term 'personal identification card' means an identification document issued by a State or local government solely for the purpose of identification;

"(5) the term 'produce' includes alter, authenticate, or assemble; and

"(6) the term 'State' includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other commonwealth, possession, or territory of the United States."

(e) ATTEMPT AND CONSPIRACY.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

"(f) ATTEMPT AND CONSPIRACY.—Any person who attempts or conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense, the commission of which was the object of the attempt or conspiracy."

(f) FORFEITURE PROCEDURES.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

"(g) FORFEITURE PROCEDURES.—The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853)."

(g) RULE OF CONSTRUCTION.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

"(h) RULE OF CONSTRUCTION.—For purpose of subsection (a)(7), a single identification document or false identification document that contains 1 or more means of identification shall be construed to be 1 means of identification."

(h) CONFORMING AMENDMENTS.—Chapter 47 of title 18, United States Code, is amended—

(1) in the heading for section 1028, by adding "and information" at the end; and

(2) in the table of sections at the beginning of the chapter, in the item relating to section 1028, by adding "and information" at the end.

SEC. 4. AMENDMENT OF FEDERAL SENTENCING GUIDELINES FOR OFFENSES UNDER SECTION 1028.

(a) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines and the policy statements of the Commission, as appropriate, to provide an appropriate penalty for each offense under section 1028 of title 18, United States Code, as amended by this Act.

(b) FACTORS FOR CONSIDERATION.—In carrying out subsection (a), the United States Sentencing Commission shall consider, with respect to each offense described in subsection (a)—

(1) the extent to which the number of victims (as defined in section 3663A(a) of title 18, United States Code) involved in the offense, including harm to reputation, inconvenience, and other difficulties resulting from the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(2) the number of means of identification, identification documents, or false identification documents (as those terms are defined in section 1028(d) of title 18, United States Code, as amended by this Act) involved in the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(3) the extent to which the value of the loss to any individual caused by the offense is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(4) the range of conduct covered by the offense;

(5) the extent to which sentencing enhancements within the Federal sentencing guidelines and the court's authority to sentence above the applicable guideline range are adequate to ensure punishment at or near the maximum penalty for the most egregious conduct covered by the offense;

(6) the extent to which Federal sentencing guidelines sentences for the offense have been constrained by statutory maximum penalties;

(7) the extent to which Federal sentencing guidelines for the offense adequately achieve the purposes of sentencing set forth in section 3553(a)(2) of title 18, United States Code; and

(8) any other factor that the United States Sentencing Commission considers to be appropriate.

SEC. 5. CENTRALIZED COMPLAINT AND CONSUMER EDUCATION SERVICE FOR VICTIMS OF IDENTITY THEFT.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Trade Commission shall establish procedures to—

(1) log and acknowledge the receipt of complaints by individuals who certify that they have a reasonable belief that 1 or more of their means of identification (as defined in section 1028 of title 18, United States Code, as amended by this Act) have been assumed, stolen, or otherwise unlawfully acquired in violation of section 1028 of title 18, United States Code, as amended by this Act;

(2) provide informational materials to individuals described in paragraph (1); and

(3) refer complaints described in paragraph (1) to appropriate entities, which may include referral to—

(A) the 3 major national consumer reporting agencies; and

(B) appropriate law enforcement agencies for potential law enforcement action.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 6. TECHNICAL AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) TECHNICAL CORRECTION RELATING TO CRIMINAL FORFEITURE PROCEDURES.—Section 982(b)(1) of title 18, United States Code, is amended to read as follows: “(1) The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).”

(b) ECONOMIC ESPIONAGE AND THEFT OF TRADE SECRETS AS PREDICATE OFFENSES FOR WIRE INTERCEPTION.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting “chapter 90 (relating to protection of trade secrets),” after “to espionage).”

SEC. 7. REDACTION OF ETHICS REPORTS FILED BY JUDICIAL OFFICERS AND EMPLOYEES.

Section 105(b) of the Ethics in Government Act of 1978 (5 U.S.C. App) is amended by adding at the end the following new paragraph:

“(3)(A) This section does not require the immediate and unconditional availability of reports filed by an individual described in section 109(8) or 109(10) of this Act if a finding is made by the Judicial Conference, in consultation with United States Marshall Service, that revealing personal and sensitive information could endanger that individual.

“(B) A report may be redacted pursuant to this paragraph only—

“(i) to the extent necessary to protect the individual who filed the report; and

“(ii) for as long as the danger to such individual exists.

“(C) The Administrative Office of the United States Courts shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate an annual report with respect to the operation of this paragraph including—

“(i) the total number of reports redacted pursuant to this paragraph;

“(ii) the total number of individuals whose reports have been redacted pursuant to this paragraph; and

“(iii) the types of threats against individuals whose reports are redacted, if appropriate.

“(D) The Judicial Conference, in consultation with the Department of Justice, shall issue regulations setting forth the circumstances under which redaction is appropriate under this paragraph and the procedures for redaction.

“(E) This paragraph shall expire on December 31, 2001, and apply to filings through calendar year 2001.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MCCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MCCOLLUM).

GENERAL LEAVE

Mr. MCCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MCCOLLUM. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 4151, the Identity Theft and Assumption Deterrence

Act of 1998, amends the fraud chapter of title 18 of the United States Code to create a new crime prohibiting the unlawful use of personal identifying information, such as names, Social Security numbers and credit card numbers. This bill was introduced by the gentleman from Arizona (Mr. SHADEGG) and originally cosponsored by a number of Members from both sides of the aisle.

Madam Speaker, identity fraud involves the misappropriation of another person's personal identifying information. Criminals use this information to establish credit in their name, run up debts on the another person's account, or take over existing financial accounts. According to a 1998 GAO study, the consequences of this crime are enormous. One national credit union reported that two-thirds of the 500,000 annual consumer inquiries it receives involve identity fraud. MasterCard has reported that its member banks lose almost \$400 million annually to identity theft. The Secret Service, which investigates only a small portion of identity theft cases under the existing wire and mail fraud statutes, reported that cases it investigated in 1997 involved over \$745 million in losses.

Madam Speaker, unfortunately, only a portion of identity fraud cases are investigated and prosecuted. At present, while the use of false identity documents is a crime, the gathering, use and sale of personal identifying information is not. Because of this gap in the law, law enforcement agencies can only investigate the fraud that occurs after stolen identity information is used, and as many of these individual crimes involve relatively small amounts, they are often too small to justify the use of valuable investigative and prosecutorial resources.

The Secret Service has informed the Committee on the Judiciary that if the transfer of personal identifiers were a crime, they would be able to prosecute those persons who traffic in this information and in many cases prevent the fraud that is later committed by those who buy this information from those who sell it.

H.R. 4151 gives law enforcement agencies the authority to investigate these crimes. It amends section 1029 of title 18 to make it a crime to unlawfully transfer or use a means of personal identification.

I want to point out that only an unlawful use or transfer is prohibited. The statute will still allow banks, credit card companies and credit bureaus to conduct their business as they always have.

This bill is similar to a bill that passed the other body by unanimous consent. It is supported by a number of groups including Visa USA, the American Bankers Association, the American Society for Industrial Security, the Center for Democracy and Technology, and the Electronic Privacy Information Center. I particularly again want to thank the gentleman from Arizona (Mr. SHADEGG) for his leadership

in this important area, and I urge all of my colleagues to support the bill.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I rise to support this legislation, but offer some reservations in the process. H.R. 4151, the Identity Theft and Assumption Deterrence Act, was never considered by the House Committee on the Judiciary. I might add that this failure in process is not the most appropriate way to meet our legislative responsibilities.

Nevertheless, I will say that if there is ever extreme hardship on a person, it is their loss of identity, Social Security, theft of their credit cards through the mail system, and other intrusions on their privacy.

□ 1045

We can always be reminded of the gasp of the individual who has found out that, unfortunately, they have left a litany of debts, because someone has either taken their credit cards or other identifying features, found their check numbers, and devastated their bank account.

Identity theft is a very important problem that deserves our attention. Billions of dollars were stolen by identity thieves when they steal account numbers, identification documents, and social security numbers. For our elderly, it is most devastating. Oftentimes it takes a long, frustrating time and thousands of dollars in legal fees for people to reconcile credit problems caused by identity thieves. In fact, Members will find that their credit may have been devastated, their credit record, before they can even determine that something has happened.

Our current Federal criminal code is inadequate in addressing these high-tech crimes. Unfortunately, our credit reporting laws and their lack of accountability and responsible consumer protection are as responsible for these identity theft problems as a thief's running credit card scams. We also have a responsibility to address these serious concerns.

I have expressed my reservations about the process, but I will be supporting this bill. But I do ask that we continue our work in this area by addressing related problems in credit reporting and consumer protection.

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Identity theft is a very important problem that deserves our attention. Billions of dollars are stolen by identity thieves when they steal account numbers, identification documents and social security numbers. It oftentimes takes a long frustrating time and thousands of dollars in legal fees for people to reconcile credit problems caused by identity thieves. Our current federal criminal code is inadequate in addressing these high tech crimes.

Unfortunately, our credit reporting laws and their lack of accountability and responsible consumer protection are as responsible for these identity theft problems as the thieves running credit card scams. We also have a responsibility to address these serious concerns.

Despite my reservations about the process, I will support this bill. But, I ask that we continue our work in this area by addressing related problems in credit reporting and consumer protection.

Madam Speaker, I reserve the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I yield 7 minutes to the gentleman from Arizona (Mr. SHADEGG), the prime author of this bill.

Mr. SHADEGG. Madam Speaker, I rise in support of H.R. 4151, the Identity Theft and Assumption Deterrence Act of 1998.

Let me begin by thanking the distinguished gentleman from Florida (Mr. MCCOLLUM), chairman of the Subcommittee on Crime, for his strong support of this legislation, and the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), for his support, as well.

I also want to thank my colleagues on the opposite side of the aisle. As Members will hear tonight, many have worked very hard to secure passage of this legislation, and it is indeed truly bipartisan.

I also, most importantly, want to thank two of my own constituents, Bob and JoAnn Hartle, of Phoenix, Arizona, who were themselves victims of identity theft. They took this tragedy in their lives and turned it into a positive experience by becoming instrumental in passing the first State law in the Nation to criminalize identity theft, and by becoming instrumentally involved in passing this legislation.

Mr. and Mrs. Hartle suffered the devastation of identity theft when a convicted felon took Mr. Hartle's identity and then went out and made purchases totaling over \$110,000. With Mr. Hartle's identity, this individual obtained a social security card, a driver's license, numerous bank accounts, and credit cards, and did even more. He bought, as a matter of fact, trucks, motorcycles, mobile homes, and appliances, but, incredibly, it did not stop there.

Using Mr. Hartle's identity, he obtained a security clearance from the Federal Aviation Administration to secure areas of Phoenix Sky Harbor International Airport, and beyond that, he used Mr. Hartle's service record in Vietnam to obtain a Federal home loan and, stunningly, he used Mr. Hartle's clean record to go around the Brady gun law, and this previously-convicted felon obtained handguns through his theft of Mr. Hartle's identification.

Mr. and Mrs. Hartle, as a result of this victimization, were forced to spend more than 4 years of their lives and more than \$15,000 of their own money just restoring their credit and reestab-

lishing their good name, because at the time that these acts occurred, there were no criminal penalties for this conduct. The Hartles were left with no meaningful remedy whatsoever.

Ultimately the individual involved was caught and prosecuted, interestingly, for making a false statement to procure a firearm. He was sentenced in 1995 and served a brief period of time, having been released earlier this year. Most importantly, he was not required to and he did not make restitution to the Hartles.

Tragically, the Hartles' story is far from unique, as I am sure we will hear tonight. Identity theft is the fastest growing financial crime in America. It is one of the fastest growing crimes of any kind in America. There are thousands of Americans victimized by this conduct every day.

Indeed, I think, to the surprise of all of us involved in cosponsoring this legislation, after its introduction we were contacted by hundreds of our constituents who have come forward and told their own stories of victimization, including numerous Capitol Hill staffers who have been victimized by this conduct.

Identity theft ranges from individual instances, like the Hartles', involving sometimes small dollar amounts and sometimes large dollar amounts, all the way to large organized professional crime rings involving multiple States and hundreds of thousands of dollars.

Indeed, one such crime ring established a fictitious home improvement company and then a credit bureau account, and using that credit bureau account and a computer link, downloaded over 500 credit reports, and then, using that information, stole more than \$250,000 from an array of victims.

Incredibly, because there were no laws punishing this conduct, the leader of the ring could only be charged with the crime of breach of computer security. He was sentenced to only 2 years of probation, no jail time, and fined just \$500 for the theft of over \$250,000. These, sadly, are just two examples of the thousands, no, tens of thousands, of identity thefts that occur each year.

H.R. 4151 is critically needed to punish this kind of conduct, which wreaks far-ranging emotional and personal financial damage on its victims. It is also needed to deter those who are tempted to engage in this conduct in the future.

In 1996, Arizona became the first State to enact criminal penalties for this conduct, and this year seven additional States also enacted criminal statutes for this conduct: California, Colorado, Georgia, Kansas, Mississippi, Wisconsin, and West Virginia.

H.R. 4151 complements these State laws already in place. It also, most importantly, provides Federal law enforcement officials, particularly the Secret Service, with the tools to prosecute and prevent identity theft.

In testimony before the Congress, the U.S. Secret Service testified that under

current law, “ * * * law enforcement must wait for an overt fraudulent act or creation of a fraudulent document before it can intercede in a case * * * involving identity {theft}. Establishing identity theft as a criminal violation would enable law enforcement to prevent the fraud before it starts. It would”, in the Secret Service’s words, “be a proactive answer to what is now being handled in a reactive manner.”

To understand the dimension of this activity, we simply have to look at one national credit bureau, where in 1997, over two-thirds of the reports to that credit bureau were about identity theft, a total of over 300,000 reports in one year. The cost of this activity is monumental to victims, to financial institutions, and to taxpayers. Those costs have skyrocketed this year more than \$2 billion.

H.R. 4151 prohibits the transfer and use of personal identification information such as a person’s personal name, their home address, their social security number, and other information to acquire the individual’s identity. It will enable law enforcement to investigate and apprehend these crimes before they occur, before the individual has obtained credit cards, checking accounts, home loans, or purchased vehicles, furniture, or appliances, or even handguns, or, in the case of Bob Hartle, obtained security passes to go to secure areas.

This is incredibly important and critical legislation which will prevent thousands of dollars of financial loss in the future. More importantly, it will prevent future victims from having to endure the months, perhaps even years, of trying to clear their credit and reclaim their good names.

Identity theft is a critically important crime. This is essential needed legislation. It enacts stiff penalties for identity theft and even stiffer penalties for trafficking in someone’s identity when the offense is connected with drug offenses or violent crimes.

I urge my colleagues to support this legislation, which has truly bipartisan support.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I would add my appreciation to the gentleman from Arizona (Mr. SHADEGG) for his good work. There are so many people this kind of identity theft impacts, and certainly I want to acknowledge the Members on this side of the aisle, the gentleman from Vermont (Mr. SANDERS) and the gentleman from Tennessee (Mr. CLEMENT), who had great interest and worked very hard on this.

Madam Speaker, I yield 4 minutes to the gentlewoman from Connecticut (Ms. DELAURO), who was very instrumental and worked long months and years to bring this legislation to this point.

Ms. DELAURO. Madam Speaker, I thank the gentlewoman from Texas for yielding time to me.

I am grateful for the rapid work the gentleman from Florida (Chairman MCCOLLUM) and the Committee on the Judiciary did to bring this important legislation to the floor. I was very pleased to have the opportunity to work with the gentleman from Arizona (Mr. SHADEGG), the gentleman from Tennessee (Mr. CLEMENT), and the gentleman from Vermont (Mr. SANDERS) on creating what is a new and improved and a bipartisan piece of legislation to combat identity fraud.

I rise in support of the McCollum substitute amendment to H.R. 4151, the Identity Theft and Assumption Deterrence Act, which makes technical modifications to the bill.

As Members have heard from my colleague, the gentleman from Arizona (Mr. SHADEGG), identity theft is growing. It is a harmful crime. It hurts the economy, it destroys consumer credit, and it places a burden on consumers to keep their identities under lock and key.

It took a nightmare story from my own constituent, Denise, and Denise does not want her last name known because she continues to be frightened by what has happened to her and her family, to bring the issue of identity fraud to my attention.

Denise contacted me 2 years ago and told me her story. Thieves had used her stolen identification to access credit in her name in Rhode Island and again in Utah. The thieves made more than \$2,000 in purchases and rented several apartments.

Denise has worked for more than 2 years to clear her good name and credit through multiple contacts with credit reporting agencies and an attorney. This identity fraud case has cost her a tremendous amount of time and huge sums of money.

□ 2300

The identity thief who stole her identity is continuing to use her identification to access credit in her name. In response to her case, and numerous other similar stories brought to my attention, I introduced the Identity Piracy Act to fight identity fraud.

Today, I am pleased to join forces with my colleagues to pass the Identity Theft and Assumption Deterrence Act that incorporates important changes from the Identity Piracy Act. The bill incorporates language from my identity fraud bill that eliminates the dollar threshold making identity fraud a Federal crime. Under other identity fraud legislation, a thief had to steal both a victim’s identity and \$1,000. The new bill will ensure that the theft of identity is a crime, with enhanced penalties for stealing credit, for drug trafficking, and for violent crimes.

Identity fraud is a crime that leaves unsuspecting victims open to years of frustration and debt while they try to clear their credit. It exposes financial institutions, insurers, and consumers to financial losses from stolen credit and other fraud.

The base of support for passing this legislation is universal. Consumer groups, financial service institutions, and privacy rights groups all support this legislation. And the chairman identified a number of those groups.

Although ultimately the best weapon to stop crime is awareness and prevention, the new legislation that we are voting on tomorrow will be another weapon in the arsenal in the fight against identity fraud, and I am delighted and pleased and proud to join forces with my colleagues on both sides of the aisle to pass this piece of legislation.

Mr. MCCOLLUM. Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. HOSTETTLER).

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

Mr. HOSTETTLER. Madam Speaker, I thank the gentleman from Florida (Mr. MCCOLLUM) chairman of the committee, and the gentleman from Arizona (Mr. SHADEGG), and I rise in strong support of this bill, a piece of legislation which, when discussed, may seem like something directly from the Sci-Fi Channel when someone would discuss theft of an identity and the assumption of that identity. One would think that was something far off in the future, but in many cases in these pieces of legislation the anecdotes we have heard, some of them come very close to home.

In fact, earlier this spring, my district scheduler back in southwestern Indiana, Erica, experienced this very phenomenon. A person in Michigan had purchased information such as social security numbers and family information of Erica. The imposter then ordered a credit report to learn her credit status. After learning that status, and armed with that information, the perpetrator went on a 2-day spending spree, opened numerous charge accounts as Erica, and purchased in excess of \$5,000 in goods, including the purchase of a cell phone.

The individual was caught only when a clerk noticed that the imposter hesitated at providing certain information and the credit card company called my district scheduler to verify it.

Madam Speaker, this is a piece of legislation that is very timely, very important, not only to the individuals that are directly impacted by it, but our economy as a whole. I commend the gentleman from Arizona (Mr. SHADEGG) for his work on this very needed piece of bipartisan legislation, and I ask my colleagues to vote in favor of it.

Ms. JACKSON-LEE. Madam Speaker, with that let me add my appreciation for all who have worked so hard on this legislation. It is about time we protect innocent victims of identity theft and assumption. Deterrence is very important, and I would hope our colleagues would support it.

Madam Speaker, I yield back the balance of my time.

Mr. McCOLLUM. Madam Speaker, I submit for the RECORD the explanatory statement on the substitute amendment to this bill:

EXPLANATORY STATEMENT OF REP. BILL McCOLLUM ON THE SUBSTITUTE AMENDMENT TO H.R. 4151

The substitute amendment to H.R. 4151 is very similar in substance, and identical in intent, to H.R. 4151 as it was introduced by Mr. Shadegg. The amendment modifies the bill so that its language will be similar to the text of S. 512, a bill on this same subject that passed in the other body by unanimous consent. The text of S. 512, as passed by the other body, incorporated amendments to the Senate bill that were suggested by the Justice Department.

There are four substantive changes accomplished by the substitute amendment. First, the substitute requires the government to prove that the person who unlawfully transfers or uses a means of identification of another person did so with the intent to commit, or aid and abet, a violation of federal law or any state felony. As introduced, the bill did not require that the government prove the intent behind a defendant's transfer or use of another's identifying information. Second, as amended, the bill deletes the mere possession of personal identifying information from the offense and requires that the government prove an unlawful use or transfer to another person of the personal information in order to prove the crime.

Third, the House bill as introduced differentiated between transferring the information and using it when determining whether a crime had been committed. It required that the government prove that a defendant transferred five or more means of identification in order to prove the crime had been committed. The substitute amendment eliminates this distinction. I believe that allowing even one person's identity to be sold to another person unlawfully should be punished. We need not wait until the criminal has jeopardized the financial security of five or more people before we act to stop him.

Fourth, the substitute amends the penalty for committing this new crime in conjunction with a violent crime from that originally set forth in the bill. The substitute will make this penalty the same as that for committing the new crime in conjunction with a drug trafficking crime, thus continuing the usual practice of punishing acts related to violent crimes and serious drug crimes in a similar manner.

The substitute also amends the Ethics in Government Act provision dealing with the release to the public of financial disclosure statements filed by federal judges. The substitute amendment will allow for some of the personal information in those filings to be redacted when they are released to the public if threats have been made against the judges who have filed those statements.

Finally, the substitute also makes two purely technical amendments to previously enacted statutes.

Mr. SANDERS. Mr. Speaker, I am pleased to rise today to support the Identity Theft and Assumption Deterrence Act and I am proud to be an original cosponsor of this legislation. In order to clearly demonstrate the need for this bill, let me lay out a frightening scenario that could happen to any of us.

Imagine getting a bill from a credit card company for thousands of dollars that you didn't charge. Then, the next day, getting several more bills from other credit card companies, and getting overdue phone bills for an address you never lived at, and getting an in-

voice for a car you never bought. This sounds like something out of the Twilight Zone, but this nightmare is real. Someone, perhaps someone living in a country on the other side of the globe, has stolen your name, your financial history, your identity, and used it to run up huge debts—debts creditors want you to pay.

Once your identity has been "stolen," you must now spend many hours on the phone with credit card companies trying to clear up these misunderstandings. You may spend many months or even years with the three major credit bureaus trying to clear up your credit record, and you may find yourself having trouble getting a loan or a mortgage.

If someone with a prior criminal record assumes an individual's identity and is using that person's name, the victim can be denied jobs without knowing why. And, if the victim's credit is in disarray due to identity theft, an innocent consumer can be turned down for a car loan or mortgage.

You may spend the rest of your life worrying if this nightmare will happen again. But the worst part is that even if you or the law enforcement community knows who has committed this act against you, there is currently no law to punish the offender or to provide you with any compensation for all you've been through.

Current federal law only prohibits the misuse of false identification documents. But with the growth of information that can be found on the Internet, identity thieves don't need an actual document. They can go on-line and find or purchase your Social Security number, unlisted address and phone number, and date of birth, which are often the key pieces of information to unlocking the door to your personal financial history.

According to law enforcement authorities, identity theft is one of the nation's fastest growing crimes, and it's a crime federal authorities need help to combat. A recent GAO study reports that at one of the nation's 3 largest credit bureaus, victim inquiries rose from 35,000 in 1992 to 522,000 in 1997. That's a 15-fold increase. The Social Security Administration reported that complaints about stolen Social Security numbers, one of the most commonly stolen identifiers, doubled from 1996 to 1997. The U.S. Secret Service, which has jurisdiction over financial crimes, estimates that actual losses due to identity theft were \$745 million last year.

We need to discourage this intrusion of privacy by making it a federal crime to take over someone's identity. In order to protect Americans from this financially and emotionally devastating crime, Reps. SHADEGG, DELAURO, CLEMENT, and I introduced H.R. 4151, the Identity Theft and Assumption Deterrence Act. This needed legislation will make it a federal crime to assume someone else's identity. It also establishes a clearinghouse at the Federal Trade Commission for identity theft victims to get assistance in clearing their credit records. The bill allows victims of identity theft to receive restitution from the criminals who steal their identity. Previously, they were not entitled to restitution because identity theft was not a crime.

American consumers deserve to have their privacy protected. Identity theft can affect anyone at any time. We need to pass the Identity Theft and Assumption Deterrence Act to not only throw these identity thieves in jail, but

also to give victims help with cleaning up their own credit records.

Mr. CLEMENT. Mr. Speaker, I rise today to express my support for H.R. 4151, the Identity Theft and Assumption Deterrence Act. The measure would establish tough penalties for the crime, as well as direct the Federal Trade Commission to log reports of identity theft, provide information to victims, and refer complaints to appropriate law enforcement agencies.

Identity theft is one of the fastest-growing financial crimes, with reports of 2,000 cases occurring each week. Credit-card fraud losses—the major financial loss in personal-identity thefts—amount to as much as \$2 billion a year. The act is called identity theft, yet it is not illegal. The notion that someone can steal your personal information and essentially pretend to be you without penalty is frightening.

I was first acquainted with this growing problem when one of my staffers became a victim of identity theft. The story my staffer told me was incredible. Someone stole her name and social security number to open up eight credit card accounts and charged over \$17,000 in her name. This thief switched my staffer's phone service and opened two cellular phone accounts. This imposter even had a government agency identification badge forged with my staff's name, social security number, and address on it.

But the most incredible part of the story is that my staffer had absolutely no recourse. The only crime committed, she was told by police, was against the stores where the thief had charged merchandise.

There is another story of a woman in my home State of Tennessee, Mrs. Conjohna Nixon, who was actually arrested and sent to jail because someone had stolen her identity and had written worthless checks on a phony account. This innocent woman was even brought into court with leg shackles. After her release, she had to endure hours of paperwork and spend personal time and money because she was a victim. And the nightmare didn't end. Two months later, local authorities were still threatening this innocent woman with arrest on more bad check warrants.

One of my constituents, Mr. Paul White, wrote me a letter describing how someone had stolen the identity of his 18-year-old son, setting up a bank account in Colorado and issuing fraudulent checks. Mr. White made the following statement:

As I do a great deal of legal work representing a local bank, I am well aware of the increasing incidence of identity fraud in this country and the necessity for federal legislation to outlaw this type of fraudulent activity.

The people who are being victimized have no recourse under law and must sacrifice their own time and money to repair the wrongdoings of others against them. This system is not fair, and that is why I urge immediate passage of the Identity Theft and Assumption Deterrence Act. In addition, I call on my colleagues to continue to monitor this crime, so that we can be sure that no future identity theft goes unpunished, and that every victim is served by the law.

Mr. KLECZKA. Mr. Speaker. It's been called the crime that isn't a crime. How can that be? Ask Jessica Grant, a Wisconsin woman whose identity was stolen through use of her Social Security number. Her name was used by a

thief to buy two cars and a mobile home. Under her name, the thief racked up \$60,000 in fraudulent charges. Yet, there was no federal law to protect her.

Or, ask the thousands of consumers across the country whose names, Social Security numbers, and personal credit information are pilfered every day. This "crime that isn't a crime" cost consumers \$745 million in 1997, according to a recent GAO report I requested.

While Jessica Grant and thousands of individuals have indeed been violated, current federal law provides protections only for lenders and credit card companies.

Mr. Speaker, I rise today to support this legislation. Today, there is no standard definition of identity theft. There are no fines. No prison penalties. No protections for people like Jessica Grant. In short, ID theft is not a crime.

Passage of this legislation addresses two critical aspects of identity theft. First the bill would authorize the FTC to acknowledge and log reports of this new—and rapidly expanding—category of crime. At last, we will learn about the real impact identity theft.

Second, the bill clearly defines ID theft. People like Jessica Grant and prosecutors across the country can pursue these thieves and lock 'em up.

While HR 4151 is a positive step there is much more work to be done to thwart this growth industry in crime.

Under my bill, HR 1813, the Personal Information Privacy Act, the sale or purchase of a person's personal credit information without the express written consent of the owner would be explicitly prohibited. My bill, which I will re-introduce in the 106th Congress, also prohibits the use of Social Security numbers as a condition of doing business.

Mr. Speaker, with these two bills we at long last will have the one-two punch needed to strike back at identity thieves.

Mr. McCOLLUM. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Florida (Mr. McCOLLUM) that the House suspend the rules and pass the bill, H.R. 4151, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CRIME VICTIMS WITH DISABILITIES AWARENESS ACT

Mr. McCOLLUM. Madam Speaker, I move to suspend the rules and pass the Senate bill (S. 1976) to increase public awareness of the plight of victims of crime with developmental disabilities, to collect data to measure the magnitude of the problem, and to develop strategies to address the safety and justice needs of victims of crime with developmental disabilities.

The Clerk read as follows:

S. 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Crime Victims With Disabilities Awareness Act".

SEC. 2. FINDINGS; PURPOSES.

(1) FINDINGS.—Congress finds that—

(a) although research conducted abroad demonstrates that individuals with developmental disabilities are at a 4 to 10 times higher risk of becoming crime victims than those without disabilities, there have been no significant studies on this subject conducted in the United States;

(2) in fact, the National Crime Victim's Survey, conducted annually by the Bureau of Justice Statistics of the Department of Justice, does not specifically collect data relating to crimes against individuals with developmental disabilities;

(3) studies in Canada, Australia, and Great Britain consistently show that victims with developmental disabilities suffer repeated victimization because so few of the crimes against them are reported, and even when they are, there is sometimes a reluctance by police, prosecutors, and judges to rely on the testimony of a disabled individual, making individuals with developmental disabilities a target for criminal predators;

(4) research in the United States needs to be done to—

(A) understand the nature and extent of crimes against individuals with developmental disabilities;

(B) describe the manner in which the justice system responds to crimes against individuals with developmental disabilities; and

(C) identify programs, policies, or laws that hold promises for making the justice system more responsive to crimes against individuals with developmental disabilities; and

(5) the National Academy of Science Committee on Law and Justice of the National Research Council is a premier research institution with unique experience in developing seminal, multidisciplinary studies to establish a strong research base from which to make public policy.

(b) PURPOSES.—The purposes of this Act are—

(1) to increase public awareness of the plight of victims of crime who are individuals with developmental disabilities;

(2) to collect data to measure the extent of the problem of crimes against individuals with developmental disabilities; and

(3) to develop a basis to find new strategies to address the safety and justice needs of victims of crime who are individuals with developmental disabilities.

SEC. 3. DEFINITION OF DEVELOPMENTAL DISABILITY.

In this Act, the term "developmental disability" has the meaning given the term in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001).

SEC. 4. STUDY.

(a) IN GENERAL.—The Attorney General shall conduct a study to increase knowledge and information about crimes against individuals with developmental disabilities that will be useful in developing new strategies to reduce the incidence of crimes against those individuals.

(b) ISSUES ADDRESSED.—The study conducted under this section shall address such issues as—

(1) the nature and extent of crimes against individuals with developmental disabilities;

(2) the risk factors associated with victimization of individuals with developmental disabilities;

(3) the manner in which the justice system responds to crimes against individuals with developmental disabilities; and

(4) the means by which States may establish and maintain a centralized computer database on the incidence of crimes against individuals with disabilities within a State.

(c) NATIONAL ACADEMY OF SCIENCES.—In carrying out this section, the Attorney General shall consider contracting with the Committee on Law and Justice of the National Research Council of the National Academy of Sciences to provide research for the study conducted under this section.

(d) REPORT.—Not later than 18 months after the date of enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report describing the results of the study conducted under this section.

SEC. 5. NATIONAL CRIME VICTIM'S SURVEY.

Not later than 2 years after the date of enactment of this Act, as part of each National Crime Victim's Survey, the Attorney General shall include statistics relating to—

(1) the nature of crimes against individuals with developmental disabilities; and

(2) the specific characteristics of the victims of those crimes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. McCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. McCOLLUM).

GENERAL LEAVE

Mr. McCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, S. 1976, the Crime Victims with Disabilities Awareness Act, is an effort to increase public awareness of the plight of crime victims who suffer from developmental disabilities. Sponsored by Senator DEWINE and passed by the other body on July 13, 1998, the bill directs the Attorney General, in conjunction with the National Research Council, to develop a plan to increase our understanding and help prevent crimes against vulnerable segments of our society. The Attorney General would be required to gather and report statistics on crimes against the physically and mentally disabled as part of the National Crime Victims Survey.

Madam Speaker, criminals are opportunists. We have long recognized they target the most vulnerable members of society for crime and exploitation and we have responded by successfully heightening awareness of crimes against women, children, and the elderly. This subcommittee has considered numerous pieces of legislation to address crimes against children and the elderly, but we have not considered the extent and the nature of crimes against disabled individuals.

I was shocked to find out that we know very little about crimes against the disabled. There is an estimated 52 million Americans with disabilities and we have every indication that crimes against this population are serious, yet no significant studies have