



City of Grand Island

Tuesday, October 28, 2008

Council Session

Item G16

#2008-311 - Approving Identity Theft Improvement Program

Staff Contact: David Springer

Council Agenda Memo

From: Dave Springer, Finance Director

Meeting: October 28, 2008

Subject: Approving Identity Theft Prevention Program

Item #'s: G-16

Presenter(s): Dave Springer, Finance Director

Background

The Fair and Accurate Credit Transactions Act of 2003 took effect January 1, 2008, but entities have until November 1, 2008 to comply with it. This new law requires municipalities to determine if they offer accounts susceptible to theft and if so, to create and implement a policy to detect signs of identify theft and methods to prevent-or at least mitigate the risk of-identify theft. Utilities accounts have been deemed to fall under this requirement. To comply with the Act, municipalities must develop a written program that detects signs of identity theft and responds to such signs and implement this plan and periodically review and update the plan.

Discussion

Last week we received a template from the League of Cities, developed by their Legal Counsel and Utilities Section Director, to constitute the core of the required policy. We have amended this draft to include the data and information peculiar to the Grand Island utilities and a copy is available in the City Clerk's office for review.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee

Recommendation

City Administration recommends acceptance of the policy on identify theft prevention.

Sample Motion

Move to approve the identify theft prevention policy as presented.

RESOLUTION 2008-311

WHEREAS, the City of Grand Island is a retail seller of electric, water and wastewater handling services to residential and commercial customers in and around Grand Island, Nebraska; and

WHEREAS, Public Law 108-159 went into effect on December 4, 2003 and amends the Fair Credit Reporting Act; and

WHEREAS, such amendment, known as the FACT Act, requires creditors, including utility companies, to comply with the Act no later than November 1, 2008; and

WHEREAS, the City of Grand Island is, as defined under 15 U.S.C. 1681a(r)(5), a creditor that maintains and offers accounts for which there is a reasonably foreseeable risk of identify theft; and

WHEREAS, compliance with the Act requires a creditor to create and implement a written Identity Theft Prevention Program.

NOW, THEREFORE, BE IT RESOLVED BY the Mayor and Council of the City of Grand Island, Nebraska that the City hereby adopts the “City of Grand Island Identity Theft Prevention Program”.

BE IT FURTHER RESOLVED BY the Mayor and Council of the City of Grand Island, Nebraska that said Program is appropriate to the size and complexity of the City of Grand Island and the scope of its activities; and that the Program is reasonably calculated to identify and detect relevant Red Flags indicating a potential risk of identity theft, and includes appropriate responses to such Red Flags that will mitigate and prevent identity theft.

BE IT FURTHER RESOLVED BY the Mayor and Council of the City of Grand Island that the Finance Director will review the Program from time to time in order to update policies as needed, in order to reflect changes in risks to the City’s customers.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, October 28, 2008.

Margaret Hornady, Mayor

Attest:

Approved as to Form	☐ _____
October 24, 2008	☐ City Attorney

RaNae Edwards, City Clerk