



DATE: October 21, 2008
TO: Gary P. Keefe, City Administrator
FROM: Rene M. Vise', Financial Services Manager
r_vise@ci.lompoc.ca.us

SUBJECT: Resolution 5498(08) Adopting the City's Identity Theft Prevention Program to Comply with the Fair and Accurate Credit Transactions Act passed by Congress in 2003.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution 5498(08), which provides for adoption of the City's Identity Theft Prevention Program in compliance with the Fair and Accurate Credit Transactions Act passed by Congress in 2003.

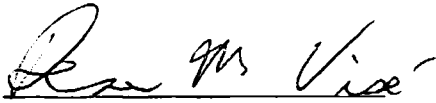
BACKGROUND/DISCUSSION:

Identity theft is a major concern for most Americans. Stories abound of victims of identity theft struggling to restore their credit and resurrect their finances. In 2005-2006, computer hackers accessed private information and financial data for approximately 800,000 applicants. parents. students, faculty and staff at the University of California at Los Angeles.

In 2003, Congress enacted the Fair and Accurate Credit Transactions ("FACT") Act to curtail the effects of identity theft by: improving the accuracy and integrity of credit information maintained by organizations; giving every person the right to their credit report free of charge every year so it can be reviewed for unauthorized activity, including activity that might be the result of identity theft; helping prevent identity theft before it occurs by requiring businesses to leave all but the last four digits of a credit card number off store receipts; creating a national system of fraud detection to make the capture of identity thieves more likely; and requiring the implementation of an identity theft prevention program utilizing red flag indicators of identity theft that have been established based upon the patterns of identity thieves.

Recently, the FACT Act was amended to require that all creditors (including local government agencies that receive payments for goods or services) establish policies and procedures to help prevent identity theft. These policies and procedures will take the form of an identity theft prevention program that is tailored to the individual public agency. Exhibit A contains the City of Lompoc's proposed Identity Theft Prevention Program.

The approval of the attached Resolution 5498(08) and the Identity Theft Prevention Program attached will provide compliance with the FACT Act and aid in the prevention of identity theft for the residents of the City of Lompoc.



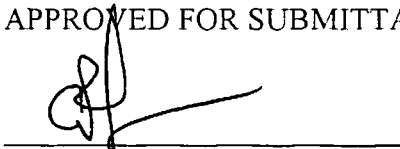
Rene M. Vise
Financial Services Manager

APPROVED FOR SUBMITTAL TO CITY ADMINISTRATOR



John Walk
Management Services Director

APPROVED FOR SUBMITTAL TO CITY COUNCIL



Gary P. Keefe
City Administrator

C:Utilities/Identity theft