

SENATE
S. No. 1350

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 11 provides "The State values the dignity of every human person and guarantees full respect for human rights."

An emergent issue in society, "identity theft" is the series of tasks involving the theft of one's personal information, such as name, credit card number, or social security number which in turn is utilized for illegal activity. It is the fastest growing crime in America, and it is estimated by the Federal Trade Commission (FTC), that approximately nine million individuals get their identities stolen each year. With more frequent online use, identity theft abuse is expected to grow and impact individuals of all ages.¹

According to the non-profit Identity Theft Resource Center,² identity theft is sub-divided into five categories:

1. Business/commercial identity theft (using another's business name to obtain credit)
2. Criminal identity theft (posing as another when apprehended for a crime)
3. Financial identity theft (using another's identity to obtain goods and services)
4. Identity cloning (using another's information to assume his or her identity in daily life)
5. Medical identity theft (using another's information to obtain medical care or drugs)

Identity theft may be used to facilitate crimes including trafficking in persons, terrorism, and espionage. Identity theft may also be a means of blackmail. There are also cases of identity cloning to attack payment systems, including online credit card processing and medical insurance.³

¹ <http://www.identitytheft.com/index.php/article/faq/>.

² <http://www.idtheftcenter.org/>.

³ http://www.worldprivacyforum.org/medidtheft_consumertips.html.

Some individuals may impersonate others for non-financial reasons - for instance, to receive praise or attention for the victim's achievements. This is sometimes referred to as identity theft in the media.⁴

In a widely publicized account,⁵ Michelle Brown, a victim of identity fraud, testified before a U.S. Senate Committee Hearing on Identity Theft. Ms. Brown testified that: "Over a year and a half from January 1998 through July 1999, one individual impersonated me to procure over \$50,000 in goods and services. Not only did she damage my credit, but she escalated her crimes to a level that I never truly expected: she engaged in drug trafficking. The crime resulted in my erroneous arrest record, a warrant out for my arrest, and eventually, a prison record when she was booked under my name as an inmate in the Chicago Federal Prison."

This bill seeks to establish within the Department of Justice an Identity Theft Prevention and Mitigation Office for the purpose of receiving and resolving complaints affecting victims of identity theft, and, when appropriate, referring these complaints to appropriate investigatory agencies.⁶

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⁴ Former Major League Baseball player Bill Henry was impersonated for over twenty years by an individual born with the same name. There is no evidence that the impersonator gained financially from the impersonation, but he did receive significant local attention.

⁵ Verbal Testimony by Michelle Brown, July 2000, U.S. Senate Committee Hearing on the Judiciary Subcommittee on Technology, Terrorism and Government Information – "Identity Theft: How to Protect and Restore Your Good Name".

⁶ This bill was originally filed in the Fourteenth Congress, Second Regular Session.

1 agencies and seeking appropriate administrative, legal, and other remedies to protect their
2 welfare, safety, and rights;

3 D. To provide services to assist identity theft victims in clearing their financial
4 records of fraudulent activity, reestablishing their credit, and preventing further
5 victimization;

6 E. To coordinate government programs and activities relating to identity theft
7 prevention, including, but not limited to, the preparation and distribution of identity theft
8 prevention pamphlets to all government lawyers and the creation of an identity theft prevention
9 and mitigation website. Such website shall serve as a comprehensive source to obtain
10 information on preventing identity theft and mitigating the impacts of identity theft;

11 F. To track and compile nationwide reported cases of identity theft;

12 G. To request from appropriate government agencies such assistance and data as will
13 enable the Office to carry out its duties; and

14 H. To submit to the Office of the President of the Philippines and to the Congress, on
15 or before September first of each year, a written report on the Office's activities.

16 SECTION 4. *Investigations.* – The Identity Theft Prevention and Mitigation Office may
17 conduct investigations and may request in writing the production of documents and records as
18 part of its investigation.

19 A. If the person upon whom a request for documents and records was made fails to
20 produce the documents or records within thirty (30) days after the date of the request, the Office
21 may issue and serve subpoenas to compel the production of such documents and records.

22 B. If any person refuses to comply with a subpoena issued under this section, the
23 Office may petition a court of competent jurisdiction to enforce the subpoena and such sanctions
24 as the court may direct.

25 SECTION 5. *Appropriations.* – The funds needed for the initial implementation of this
26 Act shall be charged against the appropriations of the Department of Justice. Thereafter, such

1 amount as may be necessary for its full implementation shall be included in the annual General
2 Appropriations Act as a distinct and separate item.

3 SECTION 6. *Separability Clause.* – If any provision or part hereof is held invalid or
4 unconstitutional, the remainder of the Act or the provision not otherwise affected shall remain
5 valid and subsisting.

6 SECTION 7. *Repealing Clause.* – Any law, presidential decree or issuance, executive
7 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
8 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

9 SECTION 8. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
10 publication in at least two (2) newspapers of general circulation.

Approved,