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FISCAL IMPACT REPORT

SPONSOR Cisneros DATE TYPED 3/18/05 HB _____

SHORT TITLE Electronic Identity Theft SB 720/aSF1#1/aHJC

ANALYST Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			See Narrative		General Fund

Relates to SB 260, HB 246 and HB 734

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

Corrections Department (CD)

Public Defender Department (PDD)

SUMMARY

Synopsis of HJC Amendment

The House Judiciary Committee amendment increases the penalty for theft of identity from a misdemeanor to a fourth degree felony.

Synopsis of SF#1 Amendment

The Senate Floor #1 amendment to Senate Bill 720 deletes the section on penalties and civil liability.

Synopsis of Original Bill

Senate Bill 720 amends the existing identity theft statute to include the new crime of obtaining identity by electronic fraud. Obtaining information by electronic fraud (commonly known as phishing) is defined as using an e-mail web site or other means of electronic communication to obtain personal information by false pretenses. This new crime is a fourth degree felony. This act also adds a section giving a civil remedy for victims of ID theft or fraud.

Significant Issues

New technology produces new possibilities for crime.

The PDD provided the following:

The bill adds an important component to the misuse of the internet. It does not include use of other devices, such as the telephone or mails, to obtain personal information.

The bill makes fraudulent electronic communications without intent to defraud a fourth degree felony but identity theft with intent to defraud is a misdemeanor.

FISCAL IMPLICATIONS

The creation of a new felony has the potential to increase inmate population and probation caseloads. This crime occurs frequently but it is rarely caught because the criminal is easily able to move about in cyberspace and hide behind the general anonymity of the internet.

The bill expands the crime so there will be additional cases for the public defenders and the district attorneys. At this time, however, the number of additional cases cannot be accurately estimated.

ADMINISTRATIVE IMPLICATIONS

The creation of a new felony has the potential to increase inmate population and probation caseloads. This crime occurs frequently but it is rarely caught because the criminal is easily able to move about in cyberspace and hide behind the general anonymity of the internet.

Additional cases will increase the workload of the courts, public defenders and district attorneys, but again, the precise impact cannot be estimated.

RELATIONSHIP

SB 720 relates to SB 260, Identity Theft as a Felony, HB 246, Remedies for Identity Theft Victims and HB 734, Identity Theft Victim Remedies.

The CD notes that passage of several bills on this subject will make the statute very confusing.

DW/lg:yr