

**ALASKA STATE LEGISLATURE**  
**HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

January 19, 2018

3:16 p.m.

**MEMBERS PRESENT**

Representative Sam Kito, Chair  
Representative Adam Wool, Vice Chair  
Representative Andy Josephson  
Representative Louise Stutes  
Representative Chris Birch  
Representative Gary Knopp  
Representative Colleen Sullivan-Leonard

**MEMBERS ABSENT**

Representative Mike Chenault (alternate)  
Representative Bryce Edgmon (alternate)

**OTHER LEGISLATORS PRESENT**

Senator John Coghill

**COMMITTEE CALENDAR**

SENATE BILL NO. 93

"An Act relating to security freezes on the credit reports or records of incapacitated persons and certain minors."

- MOVED SB 93 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 93

SHORT TITLE: CREDIT REPORT SECURITY FREEZE

SPONSOR(s): SENATOR(s) COGHILL

03/13/17	(S)	READ THE FIRST TIME - REFERRALS
03/13/17	(S)	L&C
03/28/17	(S)	L&C AT 9:00 AM BELTZ 105 (TSBldg)
03/28/17	(S)	Bill Postponed to 1:30 p.m. 3/28/17
03/28/17	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/28/17	(S)	Heard & Held
03/28/17	(S)	MINUTE(L&C)
04/04/17	(S)	L&C RPT 5DP

04/04/17 (S) DP: COSTELLO, HUGHES, STEVENS, MEYER, GARDNER  
04/04/17 (S) L&C AT 9:00 AM BELTZ 105 (TSBldg)  
04/04/17 (S) Moved SB 93 Out of Committee  
04/04/17 (S) MINUTE(L&C)  
04/10/17 (S) TRANSMITTED TO (H)  
04/10/17 (S) VERSION: SB 93  
04/11/17 (H) READ THE FIRST TIME - REFERRALS  
04/11/17 (H) L&C  
04/17/17 (H) L&C AT 3:15 PM BARNES 124  
04/17/17 (H) Heard & Held  
04/17/17 (H) MINUTE(L&C)  
01/19/18 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

RYNNIEVA MOSS, Staff  
Senator John Coghill  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SB 93 on behalf of Senator Coghill, prime sponsor.

**ACTION NARRATIVE**

[3:16:24 PM](#)

**CHAIR SAM KITO** called the House Labor and Commerce Standing Committee meeting to order at 3:16 p.m. Representatives Sullivan-Leonard, Stutes, Knopp, Birch, Josephson, Wool, and Kito were present at the call to order.

**SB 93-CREDIT REPORT SECURITY FREEZE**

[3:19:42 PM](#)

CHAIR KITO announced that the first order of business would be SENATE BILL NO. 93, "An Act relating to security freezes on the credit reports or records of incapacitated persons and certain minors."

[3:20:23 PM](#)

RYNNIEVA MOSS, Staff, Senator John Coghill, Alaska State Legislature, presented SB 93 on behalf of Senator Coghill, prime sponsor. She said the bill was introduced last year and would set up a process to create a credit record/report for a minor

under 16 or an incapacitated person, both of which are called "protected consumers." The proposed legislation would set up a system for applying for a credit freeze for a minor or incapacitated person, as well as a provision for stopping a credit freeze. Under SB 93, there would be exceptions for people with court orders or warrants, government agencies trying to collect taxes, and the investigation of fraud.

MS. MOSS explained there are two types of credit freezes: one for adults who have already established a credit record and one for minors and incapacitated people who do not have a credit record. She related that there are approximately 1.3 million cases of identity theft involving minors in the U.S. and about half of those minors are under six years of age. The identify thieves can get social security numbers of children still in the hospital and use that credit until the child turns 18 or, in most cases 16, which is the age at which many apply to purchase a vehicle or buy a cell phone.

MS. MOSS stated that the primary purpose for a credit report for an adult is to prevent lending institutions, credit card companies, and utilities, et cetera, from giving credit to someone who does not pay his/her bills. The primary purpose of SB 93, she advised, is to allow parents and personal representatives to create a credit record with the three credit reporting agencies and then freeze that record so someone cannot steal the information. She said there are various ways that people steal credit information, including stealing someone's purse, stealing school records, or breaking into a pediatrician's office to obtain medical records. She said identity theft is a big business. The proposed legislation would establish a process in state law that would allow parents and personal representatives to "protect their people from identity theft."

[3:23:31 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked Ms. Moss to expound upon her statement that records can be stolen from infants in hospitals.

MS. MOSS confirmed that reports have shown that the information is obtained at the hospital from medical records, and the information is used until the identity theft victim first asks for credit.

REPRESENTATIVE SULLIVAN-LEONARD said she used to do vital statistics, and an infant does not have a social security number at birth; therefore, she asked if Ms. Moss meant that theft is of records of children who come back to visit the hospital later.

MS. MOSS offered her understanding that one example is babies that are in the hospital under intensive care.

CHAIR KITO offered his understanding that there are some people who will take the birth record and then try to gain a social security number (SSN) and use it as an identity.

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REPRESENTATIVE WOOL offered his understanding that under SB 93, a parent could request a freeze on his/her child's credit to prevent theft of the child's identity, and when the child is of a certain age and needing to get credit, the credit would need to be unfrozen.

MS. MOSS responded that SB 93 sets up a process for removal of a security freeze, which is under AS 45.48.360. That information is found on page 3, line 28, and onto page 4, of SB 94. She said the removal process is similar to getting a security freeze; a person must submit a request to the credit reporting agency, provide sufficient proof of the identification of the minor or protected consumer, and provide proof of parentage or status as personal representative.

REPRESENTATIVE WOOL asked if a child could set up a bank account for a college savings fund, for example, at the same time his/her credit is frozen.

MS. MOSS answered that is correct.

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REPRESENTATIVE WOOL moved to report SB 93 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, SB 93 was reported from the House Labor and Commerce Standing Committee.

[3:28:20 PM](#)

The committee took an at-ease from 3:28 p.m. to 3:31 p.m.

3:31:50 PM

CHAIR KITO relayed other committee business.

3:33:28 PM

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:33 p.m.