

SB

259

**THE FOLLOWING PAGES MAY
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Theft of identity can lead to ruined credit

I am one of some 200,000 people who discovered last year that their Social Security numbers had been pilfered.

The theft of my identity actually began in 1996, when I was living overseas. Without my knowledge, someone used my Social Security number to order telephone service in Los Angeles County and then disappeared, owing the phone companies thousands of dollars.

I moved back to New York in 1997 and rented an apartment, but in time the phone companies sent the unpaid bills to collection agencies and the agencies, unable to recover the debts, passed the information on to three major national credit bureaus. I was labeled a financial delinquent.

I didn't find out about my status until last year, when I tried to rent another apartment in New York. After weeks of hunting, I found a place I liked. The landlord said I could move in as soon as he ran the routine credit check. The next day he told me that my negative credit rating made me too risky a tenant.

Relegated to a sublet, I was just beginning to make

STACY SULLIVAN

inquiries at three credit bureaus when the telephone company refused to give me a telephone because of an unpaid bill of \$1,163.67. Someone I'd never met had used my Social Security number to establish telephone service in Hawaiian Gardens, Calif., a city I have never seen. Despite the fact that the phone service was set up in a man's name, the debt was reported on my credit rating.

Once I proved that I was not that person — by showing the telephone company my photo ID and Social Security card — I was absolved of blame and given a telephone. But two weeks later I received a letter that said I would have to pay a \$100 deposit if I wanted to keep my line, because of yet another unpaid bill from a different telephone company.

This time somebody had used not only my Social Security number but also my name to establish phone service in Sun Valley, Calif., another city I have never seen.

When I asked my phone company why I should have to pay a deposit because

someone impersonated me at a company I had never done business with, the customer-service manager acknowledged that this was unfair, but politely explained that, unless I paid the deposit, my telephone would be disconnected.

So began a six-month battle of trying to clear my name. I provided the telephone companies, the credit bureaus and two collection agencies with telephone bills, W-2 forms, health-insurance receipts, credit-card statements and bank statements that proved I was not living in California at the time telephone service was ordered there. Despite my efforts, I received four letters holding me responsible for the bill.

Trapped in a Kafkaesque maze, I decided to file a police report. The police officer who heard my story told me he received an average of four complaints of identity theft each day.

Months passed, and still my name had not been cleared. So I called the collection agency investigating my case and threatened to file a

lawsuit if it did not resolve my fraud claim. I promptly received a letter stating that I was not being held responsible for the remaining delinquent telephone bill.

But the collection agency said that it takes as long as 90 days for this information to be conveyed to the national credit bureaus, and that even then there may be mistakes or delays for which neither the collection agencies nor the credit bureaus will take responsibility.

Nearly four years since my identity was stolen, the unpaid bills are still reflected on my credit rating and I am still unable to rent an apartment.

The most maddening aspect of all this is that it could have been prevented, had the telephone companies simply checked the identity of the person who established telephone service in my name.

Is it too much to ask companies that issue credit cards, sell merchandise or provide services to take simple precautions to identify their customers?

□ Stacy Sullivan, a New York-based writer, is writing a book about the Kosovo Liberation Army.

Alaska State Legislature



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Judiciary Committee
Administrative Regulations
Revenue Committee

Vice Chairman,
Resources Committee

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Senator Robin L. Taylor

SB 259 Sponsor Statement Senate Bill

“An Act relating to crimes and offenses relating to aural representations, recordings, access devices, identification documents, impersonation, false reports and computers; and providing for an effective date”

Alaska has always been the “Last Frontier.” For most of us who came to this great state it was the mystique and adventure. For others it was a place to escape too. Unfortunately, some of the latter group are escaping from the law and have stolen someone else’s identity to do that.

Acting under an assumed name, with false identification to support the claim, they obtain credit cards and checking accounts often not paying the bills. This leaves honest Alaskans with the problem of dealing with Credit Agencies, or the government with little or no recourse.

But there is more than fraud to deal with. Today criminals can access information by sitting at a computer or giving information over the telephone. These new criminals are not a part of current statute. SB 259 will correct this by updating existing law and establishing that Alaska considers stealing someone’s identity a crime with serious consequences.

Once passed these additions will give law enforcement an additional tool to keep Alaskans safer from fraud and deceit by those who not what they seem.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

CS FOR SENATE BILL NO. 259(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/21/00

Referred: Finance

Sponsor(s): SENATOR TAYLOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to crimes and offenses relating to aural representations,
2 recordings, access devices, identification documents, impersonation, false reports, and
3 computers; and providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. AS 11.41.455(a) is amended to read:

6 (a) A person commits the crime of unlawful exploitation of a minor if, in the
7 state and with the intent of producing a live performance, film, audio, video,
8 electronic, or electromagnetic recording, photograph, negative, slide, book,
9 newspaper, magazine, or other [PRINTED] material that visually or aurally depicts
10 the conduct listed in (1) - (7) of this subsection, the person knowingly induces or
11 employs a child under 18 years of age to engage in, or photographs, films, records, or
12 televises a child under 18 years of age engaged in, the following actual or simulated
13 conduct:

14 (1) sexual penetration;

- 1 (2) the lewd touching of another person's genitals, anus, or breast;
 2 (3) the lewd touching by another person of the child's genitals, anus,
 3 or breast;
 4 (4) masturbation;
 5 (5) bestiality;
 6 (6) the lewd exhibition of the child's genitals; or
 7 (7) sexual masochism or sadism.

8 * Sec. 2. AS 11.41.455(b) is amended to read:

9 (b) A parent, legal guardian, or person having custody or control of a child
 10 under 18 years of age commits the crime of unlawful exploitation of a minor if, in the
 11 state, the person permits the child to engage in conduct described in (a) of this section
 12 knowing that the conduct is intended to be used in producing a live performance, film,
 13 audio, video, electronic, or electromagnetic recording, photograph, negative, slide,
 14 book, newspaper, magazine, or other [PRINTED] material that visually or aurally
 15 depicts the conduct.

16 * Sec. 3. AS 11.46.140(a) is amended to read:

17 (a) A person commits the crime of theft in the third degree if the person
 18 commits theft as defined in AS 11.46.100 and

19 (1) the value of the property or services is \$50 or more but less than
 20 \$500;

21 (2) the property is an access device [A CREDIT CARD]; or

22 (3) the value of the property is less than \$50 and, within the past five
 23 years, the person has been convicted and sentenced on two or more separate occasions
 24 in this or another jurisdiction of theft or concealment of merchandise, or an offense
 25 under another law or ordinance with similar elements.

26 * Sec. 4. AS 11.46.285 is amended to read:

27 **Sec. 11.46.285. Fraudulent use of an access device [A CREDIT CARD].**

28 (a) A person commits the crime of fraudulent use of an access device [A CREDIT
 29 CARD] if, with intent to defraud, the person uses an access device [A CREDIT
 30 CARD] to obtain property or services with knowledge that

31 (1) the access device [CARD] is stolen or forged;

1 (2) the access device [CARD] is expired or has been revoked or
2 cancelled; or

3 (3) for any other reason, that person's use of the access device [CARD]
4 is unauthorized by either the issuer or the person to whom the access device [CREDIT
5 CARD] is issued.

6 (b) Fraudulent use of an access device [A CREDIT CARD] is

7 (1) a class B felony if the value of the property or services obtained
8 is \$25,000 or more;

9 (2) a class C felony if the value of the property or services obtained is
10 \$500 or more but less than \$25,000;

11 (3) [(2)] a class A misdemeanor if the value of the property or services
12 obtained is \$50 or more but less than \$500;

13 (4) [(3)] a class B misdemeanor if the value of the property or services
14 obtained is less than \$50.

15 * Sec. 5. AS 11.46.290 is amended to read:

16 Sec. 11.46.290. Obtaining an access device or identification document [A
17 CREDIT CARD] by fraudulent means. (a) A person commits the crime of
18 obtaining an access device or identification document [A CREDIT CARD] by
19 fraudulent means if

20 (1) the person buys an access device or identification document [A
21 CREDIT CARD] from a person other than the issuer or, as other than the issuer, the
22 person sells an access device or identification document [A CREDIT CARD];

23 (2) with intent to defraud, the person obtains an access device or
24 identification document [CONTROL OF A CREDIT CARD AS A SECURITY FOR
25 DEBT]; or

26 (3) with intent to defraud, the person makes a false statement in an
27 application for an access device or identification document [A CREDIT CARD].

28 (b) [OBTAINING A CREDIT CARD BY FRAUDULENT MEANS UNDER
29 (a)(1) OR (2) OF THIS SECTION IS A CLASS C FELONY.] Obtaining an access
30 device or identification document [A CREDIT CARD] by fraudulent means [UNDER
31 (a)(3) OF THIS SECTION] is a class A misdemeanor.

1 * Sec. 6. AS 11.46 is amended by adding a new section to read:

2 **Sec. 11.46.565. Criminal impersonation in the first degree.** (a) A person
3 commits the crime of criminal impersonation in the first degree if the person

4 (1) possesses an access device or identification document of another
5 person;

6 (2) without authorization of the other person, uses the access device or
7 identification document of another person to obtain a false identification document,
8 open an account at a financial institution, obtain an access device, or obtain property
9 or services; and

10 (3) with criminal negligence, damages the financial reputation of the
11 other person.

12 (b) Criminal impersonation in the first degree is a class B felony.

13 * Sec. 7. AS 11.46.570 is amended to read:

14 **Sec. 11.46.570. Criminal impersonation in the second degree.** (a) A person
15 commits the crime of criminal impersonation in the second degree if the person

16 (1) assumes a false identity and does an act in the assumed character
17 with intent to defraud, commit a crime, or obtain a benefit to which the person is
18 not entitled; or

19 (2) pretends to be a representative of some person or organization and
20 does an act in the pretended capacity with intent to defraud, commit a crime, or
21 obtain a benefit to which the person is not entitled.

22 (b) Criminal impersonation in the second degree is a class A misdemeanor.

23 * Sec. 8. AS 11.46.630(b)(1) is amended to read:

24 (1) "business record" means a writing, recording, or article kept or
25 maintained by an enterprise for the purpose of evidencing or reflecting its condition
26 or activity;

27 * Sec. 9. AS 11.46.710(c) is amended to read:

28 (c) Except as provided in (d) of this section, deceptive [DECEPTIVE]
29 business practices is a class A misdemeanor.

30 * Sec. 10. AS 11.46.710 is amended by adding a new subsection to read:

31 (d) Deceptive business practices is a class C felony if the person uses the

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1 Internet or a computer network to commit the offense. In this subsection, "Internet"
2 means the combination of computer systems or networks that make up the international
3 network for interactive communications services, including remote logins, file transfer,
4 electronic mail, and newsgroups.

5 * Sec. 11. AS 11.46.740(a) is amended to read:

6 (a) A person commits the offense of criminal use of a computer if, having no
7 right to do so or any reasonable ground to believe the person has such a right, the
8 person knowingly accesses, [OR] causes to be accessed, or exceeds the person's
9 authorized access to a computer, computer system, computer program, computer
10 network, or any part of a computer system or network, and, as a result of or in the
11 course of that access,

12 (1) obtains information concerning a person; [OR]

13 (2) introduces false information into a computer, computer system,
14 computer program, or computer network with the intent to damage or enhance the
15 data record or the financial reputation of a person;

16 (3) introduces false information into a computer, computer system,
17 computer program, or computer network and, with criminal negligence, damages
18 or enhances the data record or the financial reputation of a person;

19 (4) obtains proprietary information of another person;

20 (5) obtains information that is only available to the public for a fee;

21 (6) introduces instructions, a computer program, or other
22 information that tampers with, disrupts, disables, or destroys a computer,
23 computer system, computer program, computer network, or any part of a
24 computer system or network; or

25 (7) encrypts or decrypts data.

26 * Sec. 12. AS 11.46.740 is amended by adding a new subsection to read:

27 (c) In this section, "proprietary information" means scientific, technical, or
28 commercial information, including a design, process, procedure, customer list, supplier
29 list, or customer records that the holder of the information has not made available to
30 the public.

31 * Sec. 13. AS 11.46.990 is amended by adding a new paragraph to read:

1 (14) "financial reputation" means a person's

2 (A) ability to obtain a loan from a financial institution, open an
3 account with a financial institution, obtain property or services on credit, or
4 obtain an access device; or

5 (B) creditworthiness in a credit report.

6 * Sec. 14. AS 11.56.800(a) is amended to read:

7 (a) A person commits the crime of making a false report if the person
8 knowingly

9 (1) gives false information to a peace officer with the intent of
10 implicating another in an offense [A CRIME];

11 (2) makes a false report to a peace officer that a crime has occurred or
12 is about to occur;

13 (3) makes a false report or gives a false alarm that a fire or other
14 incident dangerous to life or property calling for an emergency response has occurred
15 or is about to occur; or

16 (4) makes a false report to the Department of Natural Resources under
17 AS 46.17 concerning the condition of a dam or reservoir.

18 * Sec. 15. AS 11.61.125(d) is amended to read:

19 (d) In this section, "distribution" includes delivering, selling, renting, leasing,
20 lending, giving, circulating, exhibiting, presenting, providing, [AND] exchanging, and
21 placing on a computer network or computer system, whether or not for monetary
22 or other consideration.

23 * Sec. 16. AS 11.81.900(b)(48) is amended to read:

24 (48) "property" means an article, substance, or thing of value, including
25 money, tangible and intangible personal property including data or information stored
26 in a computer program, system, or network, real property, an access device [A
27 CREDIT CARD], a domestic pet or livestock regardless of value, choses-in-action, and
28 evidence of debt or of contract; a commodity of a public utility such as gas, electricity,
29 steam, or water constitutes property, but the supplying of such a commodity to
30 premises from an outside source by means of wires, pipes, conduits, or other
31 equipment is considered a rendition of a service rather than a sale or delivery of

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1 property;

2 * **Sec. 17.** AS 11.81.900(b) is amended by adding new paragraphs to read:

3 (61) "access device" means a card, credit card, plate, code, account
4 number, algorithm, or identification number, including a social security number,
5 electronic serial number, or password, that is capable of being used, alone or in
6 conjunction with another access device or identification document, to obtain property
7 or services, or that can be used to initiate a transfer of property;

8 (62) "identification document" means a paper, instrument, or other
9 article used to establish the identity of a person; "identification document" includes a
10 social security card, driver's license, non-driver's identification, birth certificate,
11 passport, employee identification, or hunting or fishing license.

12 * **Sec. 18.** The uncodified law of the State of Alaska is amended by adding a new section
13 to read:

14 **APPLICABILITY.** This Act applies to acts and offenses committed or completed on
15 or after the effective date of this Act.

16 * **Sec. 19.** This Act takes effect immediately under AS 01.10.070(c).

LEGAL SERVICES

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LEGISLATIVE AFFAIRS AGENCY
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MEMORANDUM

March 9, 2000

SUBJECT: Sectional Summary of CSSB 259(JUD), Draft, DATED 3/2/00.
(Work Order No. 21-LS1284\1)

TO: Senator Robin Taylor
Attn: Jim Pound

FROM: Gerald P. Luckhaupt *Jeg*
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1. Amends AS 11.41.455(a), sexual exploitation of a minor, by expanding the types of media involved.

Section 2. Makes a corresponding change to the change made in sec. 1.

Section 3. Changes the ways a person may commit theft in the third degree.

Section 4. Changes the existing crime of fraudulent use of a credit card to fraudulent use of an access device.

Section 5. Changes the existing crime of obtaining a credit card by fraudulent means to obtaining an access device or identification document by fraudulent means.

Section 6. Creates the new crime of criminal impersonation in the first degree.

Section 7. Makes the existing crime of criminal impersonation, criminal impersonation in the second degree.

Section 8. Expands the definition of business record.

Sections 9 and 10. Makes the existing crime of deceptive business practices a class C felony if the defendant uses a computer to commit the offense.

Section 11. Expands the ways to commit the crime of criminal use of a computer.

Senator Robin Taylor
March 9, 2000
Page 2

Section 12. Adds a definition for purposes of the crime of criminal use of a computer.

Section 13. Adds a definition for purposes of our crimes relating to property.

Section 14. Expands the definition of distribution for purposes of child pornography.

Section 15. Amends the definition of property in our criminal code.

Section 16. Adds new definitions to our criminal code.

Section 17. Provides an applicability section.

Section 18. Provides an immediate effective date.

GPL:pl:glc
00-082.plm

Alaska State Troopers



WHITE COLLAR CRIME SECTION

* * * * *

The White Collar Crime Section is charged with the duties of coordinating and or investigating selected acts of forgery, fraud, embezzlement, unsworn falsification, perjury, credit card crimes, politically sensitive matters, crimes which involve computers, to include forensic data recovery and analysis along with other investigations designated by the commander of the Criminal Investigation Bureau.

Currently, the White Collar Crime Section consists of one Sergeant and two Investigators. Investigators assigned to the White Collar Crime Section many times deal with complex cases that require many hours of document analysis in order to identify criminal violations. They work closely with prosecutors within the Department of Law's Office of Special Prosecutions and Appeals.

The Alaska State Trooper's White Collar Crime Section is a voting member of the National White Collar Crimes Center. This allows the section to draw on the many services and resources they provide, such as up to date training, data and document analysis, intelligence data bases, computer and network expertise and many other helpful tools that the white collar crime investigator may need.

Members of the White Collar Crime Section, while not auditors, have received specialized training in Fraud and Financial Crimes Investigative Techniques, Complex Crimes Case Management, the Investigation of Internet Crimes, and Computer Forensics.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 259 (JUD)

Revision Date/Time (Note if correction)	4-Apr-00	Dept. Affected	Administration
Title	An Act relating to crimes and offenses relating to aural representations, recordings ...	BRU	Legal and Advocacy Services
Sponsor	Senator Taylor	Component	Public Defender Agency
Requester	(S) FIN	Component No.	1631

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel	3.3	3.3	3.3	3.3	3.3	3.3
Contractual	11.7	11.7	11.7	11.7	11.7	11.7
Supplies						
Equipment	6.5	5.0	5.0	5.0	5.0	5.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	21.5	20.0	20.0	20.0	20.0	20.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	21.5	20.0	20.0	20.0	20.0	20.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	21.5	20.0	20.0	20.0	20.0	20.0

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached.

Prepared by: <u>Barbara Brink, Director</u>	Phone: <u>264-4414</u>
Division: <u>Public Defender Agency</u>	Date/Time: <u>4/4/00</u>
Approved by: <u>Commissioner - Robert Poe Jr.</u> <i>Robert Poe Jr.</i>	Date: <u>4/4/00</u>
Agency: <u>Department of Administration</u>	

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO: CSSB 259 (JUD)

Analysis (continued)

This bill amends current law and adds new statutes to enable prosecution of a wide variety of computer-related offenses.

Prosecution and defense of these offenses will require sophisticated technical expertise. The Public Defender Agency does not currently have the computer equipment and the staff who have the technical knowledge necessary to defend criminal cases that could be brought under this new legislation.

It is difficult to predict how many additional cases the Public Defender Agency would be appointed to if this bill becomes law. The Department of Law has estimated that there would only be ten additional cases prosecuted in the first year and says it does not anticipate much in the way of increased workload. The Public Defender Agency is concerned about these estimates. This is a very broadly worded bill that would make unlawful a wide range of activity on individual personal computers, computer networks, and on the Internet. Although the Agency has concerns about the impact of this legislation in coming years, we will use the Department of Law's estimates.

The Public Defender Agency does not currently have the sophisticated computer equipment, software, peripherals, and associated communication devices that are necessary for the defense of these cases. We are requesting a one-time equipment purchase for our Anchorage office and plan to use this equipment as a resource for the rest of the state, too. We are paralleling the Department of Law's requests in terms of maintenance of this equipment, contractual services for training and employee travel. We are adding a small additional amount in contractual services anticipating that one case will go to trial in which we will need the services of an expert witness.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 259 (JUD)

Revision Date/Time (Note if correction) _____	Dept. Affected _____	Law _____
Title <u>"An Act relating to crimes and offenses relating to aural representations, ... access devices ... computers; ..."</u>	BRU	<u>Criminal Division</u>
Sponsor <u>Senator Taylor</u>	Component	<u>1st Judicial Dist; 4th Judicial Dist; Criminal Appeals/Special Litigation</u>
Requester <u>Senate Judiciary Committee</u>	Component No.	<u>2198;2201;2203</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel	3.3	3.3	3.3	3.3	3.3	3.3
Contractual	6.7	6.7	6.7	6.7	6.7	6.7
Supplies						
Equipment	5.0	5.0	5.0	5.0	5.0	5.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	15.0	15.0	15.0	15.0	15.0	15.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	15.0	15.0	15.0	15.0	15.0	15.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	15.0	15.0	15.0	15.0	15.0	15.0

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSSB 259 (JUD) amends and expands the substantive criminal law to address the use of computers and other technology in the widespread perpetration of crimes. Child pornography, theft of personal information with the intent to defraud, theft of personal information resulting in damage to a person's financial reputation, deceptive business practices, "hacking" to get unauthorized information or introduce false information, and introducing damaging viruses, are all offenses where technology has offered new ways for criminals to victimize individuals. The amendments in this bill will update existing law to help law enforcement prosecute those who cause harm to others through the use of computers and other technology.

Prepared by: Joan M. Kasson *Joan M. Kasson*
 Division Attorney General's Office
 Approved by Commissioner *Reddy* Bruce M. Botelho, Attorney General
 Agency Department of Law

Phone 465-5370
 Date/Time 3/21/00, 11:39 AM
 Date 3/21/00

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 259 (JUD)

ANALYSIS CONTINUATION

Much of the bill expands on existing crimes already being prosecuted, and is not anticipated to cause increased workload. The new crimes defined in the bill are expected to result in approximately ten new prosecutions in the first year, with the number increasing in future years. These new white-collar cases will be handled by existing staff. Although no new personnel are believed to be necessary, other resources will be needed.

Investigation and prosecution of cybercrimes require that the prosecutor keep up with the constantly changing world of information technology. Those who use computers to commit crimes are very knowledgeable about technology, and usually have state-of-the-art equipment. Prosecutors must have the same or better knowledge and equipment as those who use the equipment for illegal purposes.

The Department of Law intends to have three of its prosecutors specialize in this technology driven area of law: one in Anchorage OSPA, and one each in the Juneau and Fairbanks district attorney's offices. These assistant district attorneys will need on-going training to stay ahead of the inventive ways people come up with to use technology to cause harm to others and to keep up with how law enforcement is responding in other jurisdictions. The department estimates \$10.0 per year will be spent on training, divided equally between the three components. \$5.0 per year is included to maintain state-of-the-art computer equipment, software, peripherals, and associated communications devices in Anchorage OSPA as a resource for the entire Criminal Division to use in preparing and presenting its cases.

FISCAL NOTE

STATE OF ALASKA
2000 Legislative Session

Bill Version: 4 CSSB 259 (JUD)
(S) Publish Date: 4-13-00

Revision Date: 04/05/00
Title: An Act relating to crimes involving computers, access devices, other technology and identification documents
Sponsor: Senator Robin Taylor
Requester: Senate Finance Committee

Dept. Affected Public Safety
BRU AK State Troopers
Component Criminal Investigations Bureau
Component Serial No. 830

Expenditures/Revenues		(Thousands of Dollars)				
OPERATING EXPENDITURES	FY01	FY02	FY03	FY04	FY05	FY06
Personal Services	0.0					
Travel	0.0					
Contractual	7.8	7.8	7.8	7.8	7.8	7.8
Supplies	0.0					
Equipment	15.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	22.8	7.8	7.8	7.8	7.8	7.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE		(Thousands of Dollars)				
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	22.8	7.8	7.8	7.8	7.8	7.8
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	22.8	7.8	7.8	7.8	7.8	7.8

Estimate of any current year (FY00) costs: 0.0

POSITIONS						
Full-time						
Part-time						
Temporary						

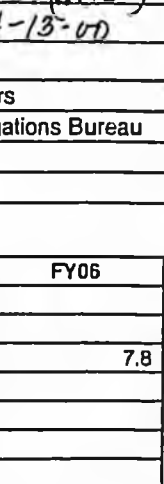
ANALYSIS: *(Attach a separate page if necessary)*
 CSSB 259 (JUD) amends and expands the substantive criminal law to address the use of computers and other technology in the widespread perpetration of crimes.

 This fiscal note funds an equipment request in FY01 to provide computer equipment adequate to meet new and expanded responsibilities provided for in this legislation. In addition, the request by the Department of Public Safety to provide training in this new field is included in the fiscal note at \$7.8 per year.

Prepared By: SENATE FINANCE COMMITTEE


 SENATOR SEAN PARNELL, CO-CHAIR

Date: 4/5/00
Phone: 465-2995


 SENATOR JOHN TORGERSON, CO-CHAIR

Date: 4/5/00
Phone: 465-2828

Alaska Association of Chiefs of Police



April 5, 2000

Senator Robin Taylor
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Dear Senator Taylor:

On behalf of the Alaska Association of Chiefs of Police, I am writing in support of Committee Substitute for Senate Bill 259.

Several important issues are addressed by this bill, including the crime of assuming another's identity by use of various access devices. The bill would provide severe penalties for those who obtain devices and documents to use in the further commission of crimes and who destroy the lives, businesses, credit, and credentials of innocent victims in the process.

CS for SB 259 also addresses the need for criminal liability in cases where self defense is used all too frequently to avoid prosecution for a criminal act. Current Alaska law makes it extremely difficult to prosecute defendants who use self defense as an excuse to cover up illegitimate and often times deadly behavior. Limitations must be made to protect the lives of innocent victims as well punish those who harm others intentionally.

Sincerely,

A handwritten signature in cursive script, reading "Duane S. Udland".

Duane S. Udland, President
Alaska Association of Chiefs of Police

Impostor gains access to couple's savings

By AMANDA BOHMAN
Staff Writer

When Nancy Kuhn received a letter from her credit union asking to verify her change of address to Juneau, she knew there was a mistake.

The Kuhns, who live in Fairbanks, hadn't moved to Juneau and didn't plan to.

Kuhn called Alaska USA Federal Credit Union to tell them the address change was wrong. That's when she learned of the four withdrawals from her account.

Someone posing as her husband not only changed the address of the account but had most of the money—\$4,900—wired to Georgia.

"This is a case of stolen identity," Kuhn said. "It's a thing we all read about, but it never happens to us."

The impostor made the first three withdrawals, each for \$1,000, the same day as the address change on Jan. 14. The fourth withdrawal, for \$1,900, was made a day later.

In Jonesboro, Ga., the impostor showed up at a Western

Union office carrying a fake military identification card with Eugene Kuhn's name and Social Security number on it, Nancy Kuhn said credit union officials told her. The person knew Eugene's credit union savings account number and the date the account was opened. The only thing the impostor got wrong, Kuhn said, was her husband's birthdate.

Jack Simmonds, senior vice president of operations at Alaska USA, said the credit union asked Western Union to compare the signature at the wire service with the signature on the account. When they didn't match, the credit union reimbursed the Kuhns.

"I don't think people should be concerned," Simmonds said. "The credit union has made this person whole. The member has not lost any money."

Simmonds said the credit union's insurance company would probably investigate the fraud, along with the FBI.

He said that for security reasons he could not comment on account.

See THEFT, Page A-8

Fairbanks Daily News-Miner, Saturday, February 19, 2000

THEFT: Impostor steals \$4,900

Continued from Page A-1

access accounts at the credit union. But he said credit union members have the option of having a password. "We take every reasonable step to keep accounts secure."

The credit union was almost too secure for Kuhn at one point. She said she closed one of the couple's accounts in a huff last fall because the credit union demanded both her driver's license number and her Social Security number for a withdrawal receipt. Kuhn said she was willing to show that information but re-

fused to let the bank put it on her receipt, in case it fell out of her purse or something, she said.

Kuhn said the credit union told her it would need the name, types of accounts at the credit union, Social Security number and date of birth from someone to access bank records. The couple is perplexed as to how someone could get that information, which is supposedly private.

Kuhn said her husband is "a little bit sloppy" but that he's never lost anything. "I don't think he ever misplaced one of

the statements. I keep track of those."

The couple opened the savings account in 1975, before the credit union was bought by Alaska USA, Kuhn said.

She and her husband don't know anybody in Jonesboro, which is a busy suburb of Atlanta.

Fairbanks police referred Kuhn's complaint to the FBI. Neither the Fairbanks FBI bureau or the Anchorage bureau have begun investigating.

FISCAL NOTE No. 3

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Bill Version: CS&B 259 (JUD)

(S) Publish Date: 3-22-00

Revision Date/Time (Note if correction) 21-Mar-00 Dept. Affected Administration
 Title "An Act relating to criminal impersonation" BRU Legal and Advocacy Services
 Component Public Defender Agency
 Sponsor Senator Taylor
 Requester (S) JUD Component No. 1631

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	46.5	46.5	46.5	46.5	46.5	46.5
Travel	3.5	3.5	3.5	3.5	3.5	3.5
Contractual	26.3	26.3	26.3	26.3	26.3	26.3
Supplies	1.9	1.9	1.9	1.9	1.9	1.9
Equipment	6.5	0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	84.7	78.2	78.2	78.2	78.2	78.2

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	84.7	78.2	78.2	78.2	78.2	78.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	84.7	78.2	78.2	78.2	78.2	78.2

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends current law and adds new statutes to enable prosecution of a wide variety of computer-related offenses.

Prosecution and defense of these offenses will require sophisticated technical expertise. The Public Defender Agency does not currently have staff who have the technical knowledge necessary to defend criminal cases that could be brought under this new legislation.

The Public Defender Agency will need to hire a Programmer Analyst I in order to consult with and train the attorneys appointed to defend these cases. The Programmer Analyst will be based in Anchorage. In addition to providing technical assistance on individual cases in Anchorage, the Programmer Analyst would also be responsible for training attorneys and investigators in all Public Defender Agency offices on technical issues in these cases. One-time equipment costs for computer equipment is also included in the first year.

Prepared by: Barbara Brink, Director Phone 264-4414
 Division Public Defender Agency Date/Time _____
 Approved by Commissioner -- Robert Poe, Jr. Date 3/21/00
 Agency Department of Administration

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