



Capitol Contact

by State Representative Steve Simon

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MY FIRST MAJOR BILL TO BECOME LAW: A VICTORY AGAINST IDENTITY THEFT

THE PROBLEM: A SCAM CALLED "PHISHING"

Dear Friend,
I am proud to report that my first major piece of legislation has become law. On Friday, June 3, 2005, the Governor signed into law my proposal to criminalize a serious new type of identity theft known as "phishing." As this newsletter explains, "phishing" is one of the fastest growing scams on the Internet.

My bill attracted a broad base of support. In advocating for it, I was pleased to have the help of prosecutors and electronic security consultants. The anti-"phishing" bill also received bipartisan support in both the House and the Senate. As a result, I am one of the relatively few Democrats who have passed a major piece of legislation through the Republican-controlled House of Representatives.

I now hope that the new law will have a meaningful impact on the fight against identity theft.

"Phishing" is a type of attempted identity theft that uses e-mail messages and the Internet.

It starts when you receive an e-mail message that is supposedly from a bank, financial institution, or other business. It will typically ask you to "update" or "verify" your account information by clicking on a link to an official-looking website, complete with the appropriate logo. This website then directs you to submit account or financial information as part of the requested "update" or "verification."

Nationwide, approximately 70% of e-mail users have received a "phishing" e-mail. The problem is that Minnesota's identity theft law has criminalized only a "successful" theft of identity through "phishing." But the mere act of sending out a "phishing" e-mail has been entirely legal. Until now.

A SOLUTION: CRIMINALIZATION OF "PHISHING"

My bill, which the Governor just signed into law, makes "phishing" a criminal offense in Minnesota for the first time. In other words, the new law will criminalize the mere act of sending an e-mail message "with intent to obtain the identity of another." It doesn't matter whether the perpetrator actually obtained or used a person's identity. All that matters is the intentional attempt. The penalty for the new crime is imprisonment for up to five years and a fine of up to \$10,000.

ONGOING PRECAUTIONS AGAINST IDENTITY THEFT

I realize that "phishing" will not disappear overnight. To protect yourself, make sure not to respond to e-mailed requests for personal information. In addition, here are some things that federal authorities say you can do to avoid being victimized:

- ♦ Don't e-mail personal or financial information.*
- ♦ Use anti-virus software and keep it up to date.
- ♦ For more information, go to www.ftc.gov/spam

As always, please feel free to contact me about any issue, idea, or concern.

*If you initiate a transaction and want to transmit personal information through a website, make sure that the website is secure. Look either for a lock icon in the website's browser bar or a URL that begins with "https" (the "s" stands for "secure"). Unfortunately, even these precautions are not foolproof.

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