

1 **WASHINGTON COUNTY, WISCONSIN**

2
3 Date of enactment: 5/11/10
4 Date of publication: 5/18/10

5 **VOTE**

6 **2010 RESOLUTION 8**

7
8 **Resolution Adopting Identity Theft Prevention Program**
9 **(FTC – Red Flags Rule)**

10
11 **WHEREAS**, the Fair and Accurate Credit Transaction Act of 2003, Pub. L.108-159,
12 requires creditors and financial institutions with covered accounts to prepare, adopt and
13 implement a program to detect, prevent and mitigate identity theft in connection with covered
14 accounts; and

15
16 **WHEREAS**, the Federal Trade Commission has adopted a rule, commonly referred to as
17 the "Red Flags Rule," that requires creditors and financial institutions with covered accounts to
18 implement an identity theft prevention program; and

19
20 **WHEREAS**, an account is a "covered account" if the account is one that is offered or
21 maintained primarily for personal, family or household purposes and permits multiple payments
22 or transactions or if there is a reasonably foreseeable risk to the customer or the safety and
23 soundness of the creditor from identity theft; and

24
25 **WHEREAS**, Washington County is a covered entity because some departments maintain
26 covered accounts within the meaning of the Red Flags Rule by permitting multiple payments
27 after goods or services have been provided, even though the risk from identity theft is minimal;
28 and

29
30 **WHEREAS**, failure to adopt and enforce an identity theft prevention program may cause
31 a covered entity to lose existing federal grants and to be ineligible for future federal grants; and

32
33 **WHEREAS**, compliance with Fair and Accurate Credit Transaction Act of 2003 is
34 required by June 1, 2010; and

35
36 **WHEREAS**, the Federal Trade Commission rules permit each covered entity to develop
37 its own program that is tailored to its own size and complexity; and

38
39 **WHEREAS**, the County Attorney has prepared a draft identity theft prevention program
40 that is consistent with Federal Trade Commission guidance that, where the risk of identity theft is
41 low, a creditor's program may focus on how to respond upon receiving a report that a person's
42 identity has been misused in connection with the covered account; and

43
44 **WHEREAS**, the Finance Committee has reviewed the draft identity theft prevention
45 program and recommends its implementation;

