

# HOUSE BILL No. 4732

March 31, 2009, Introduced by Reps. Valentine, Sheltroun, Leland, Melton, Durhal, Lori, Meadows and Dean and referred to the Committee on Judiciary.

A bill to amend 2004 PA 452, entitled  
"Identity theft protection act,"  
(MCL 445.61 to 445.77) by adding section 12c.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 12C. (1) WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF THE  
2 AMENDATORY ACT THAT ADDED THIS SECTION, EACH QUALIFIED PERSON SHALL  
3 ESTABLISH A WRITTEN IDENTITY THEFT PREVENTION PROGRAM THAT MEETS  
4 ALL OF THE FOLLOWING:

5           (A) INCLUDES REASONABLE POLICIES AND PROCEDURES FOR DETECTING,  
6 PREVENTING, AND MITIGATING IDENTITY THEFT.

7           (B) IDENTIFIES SPECIFIC ACTIVITIES THAT INDICATE THE POSSIBLE  
8 EXISTENCE OF IDENTITY THEFT AND ADDRESSES THOSE ACTIVITIES IN THE  
9 PROGRAM.

10           (C) DETECTS THE ACTIVITIES DESCRIBED IN SUBDIVISION (B).

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1 (D) RESPONDS TO THE ACTIVITIES DESCRIBED IN SUBDIVISION (B) IN  
2 ORDER TO MITIGATE THE ADVERSE EFFECTS OF IDENTITY THEFT.

3 (E) TRAINS STAFF TO EFFECTIVELY IMPLEMENT THE PROGRAM.

4 (F) ENSURES THAT THE PROGRAM IS PERIODICALLY REVIEWED TO  
5 IDENTIFY, DETECT, AND RESPOND TO NEW AND EMERGING PRACTICES THAT  
6 INCREASE THE RISK OF IDENTITY THEFT.

7 (2) A QUALIFIED PERSON THAT IS SUBJECT TO AND COMPLIES WITH  
8 THE JOINT FINAL RULES AND GUIDELINES CONCERNING IDENTITY THEFT RED  
9 FLAGS AND ADDRESS DISCREPANCIES UNDER THE FAIR AND ACCURATE CREDIT  
10 TRANSACTIONS ACT OF 2003, PUBLIC LAW 108-159, IS NOT REQUIRED TO  
11 COMPLY WITH SUBSECTION (1).

12 (3) A STATE OR FEDERAL COURT, A POLITICAL SUBDIVISION OF THIS  
13 STATE, OR A STATE OR FEDERAL DEPARTMENT OR AGENCY IS NOT REQUIRED  
14 TO COMPLY WITH SUBSECTION (1).

15 (4) AS USED IN THIS SECTION:

16 (A) "COVERED ACCOUNT" MEANS THAT TERM AS DEFINED IN 16 CFR  
17 681.2.

18 (B) "QUALIFIED PERSON" MEANS A PERSON THAT MEETS BOTH OF THE  
19 FOLLOWING:

20 (i) HAS MORE THAN 50 EMPLOYEES.

21 (ii) IS ENGAGED IN EXTENDING CREDIT IN THE FORM OF COVERED  
22 ACCOUNTS TO RESIDENTS OF THIS STATE.

[Enacting section 1. This amendatory act takes effect January 1,  
2010.]

23 Enacting section [2]. This amendatory act does not take effect  
24 unless all of the following bills of the 95th Legislature are  
25 enacted into law:

26 (a) Senate Bill No. \_\_\_\_ or House Bill No. 4730 (request no.  
27 01597'09).

1 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 4731 (request no.  
2 01598'09).

3 (c) Senate Bill No. \_\_\_\_\_ or House Bill No. 4733 (request no.  
4 01600'09).

5 (d) Senate Bill No. \_\_\_\_\_ or House Bill No. 4729 (request no.  
6 01601'09).

7 (e) Senate Bill No. \_\_\_\_\_ or House Bill No. 4734 (request no.  
8 01602'09).