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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **3996**

03/03/2022

Authored by Quam

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy

1.1 A bill for an act
1.2 relating to public safety; aiding victims of economic crimes; providing public
1.3 outreach initiatives; authorizing an identity theft passport; amending Minnesota
1.4 Statutes 2020, section 299A.681, subdivisions 3, 8; proposing coding for new law
1.5 in Minnesota Statutes, chapter 299A.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 299A.681, subdivision 3, is amended to read:

1.8 Subd. 3. **Duties.** The advisory board shall offer advice to the commissioner on the
1.9 development of an overall strategy to ameliorate the harm caused to the public by identity
1.10 theft and financial crime within Minnesota. The strategy may include the development of
1.11 protocols and procedures to investigate financial crimes and a structure for best addressing
1.12 these issues on a statewide basis and in a multijurisdictional manner. The commissioner
1.13 shall:

1.14 (1) establish a multijurisdictional statewide Minnesota Financial Crimes Task Force to
1.15 investigate major financial crimes;

1.16 (2) with advice from the advisory board, select a statewide commander of the task force
1.17 who serves at the pleasure of the commissioner;

1.18 (3) develop an objective grant review application process that is free from conflicts of
1.19 interest;

1.20 (4) with advice from the advisory board, issue grants to support efforts to combat identity
1.21 theft and financial crime;

(5) with advice from the advisory board, assist law enforcement agencies and victims in developing a process to collect and share information to improve the investigation and prosecution of identity theft and financial crime;

(6) with advice from the advisory board, develop and approve an operational budget for the office of the statewide commander and the Minnesota Financial Crimes Task Force; ~~and~~

(7) with advice from the advisory board, develop and implement a comprehensive process through the victims assistance program to help victims of identity theft crimes:

(i) report identity theft crimes to the appropriate state and federal authorities; and

(ii) protect, correct, and restore the victim's financial accounts, personal and credit information, identities, and privacy; and

(8) enter into any contracts necessary to establish and maintain a relationship with retailers, financial institutions, and other businesses to deal effectively with identity theft and financial crime.

The task force described in clause (1) may consist of members from local law enforcement agencies, federal law enforcement agencies, state and federal prosecutors' offices, and representatives from retail businesses, financial institutions, and not-for-profit organizations.

Sec. 2. Minnesota Statutes 2020, section 299A.681, subdivision 8, is amended to read:

Subd. 8. **Victims assistance program.** (a) The commissioner ~~may~~ must establish a ~~victims' assistance~~ program to assist victims of economic crimes and provide prevention and awareness programs. The commissioner may retain the services of not-for-profit organizations to assist in the development and delivery systems in aiding victims of financial crime. The program may not provide any financial assistance to victims, but ~~may assist~~ must help victims ~~in obtaining~~ obtain police assistance and advise victims in how to protect personal accounts and identities. The program must help identity theft victims obtain identity theft passports under section 299A.682. Services ~~may~~ must include a victim toll-free telephone number, fax number, website, Monday through Friday telephone service, e-mail response, and interfaces to other helpful websites. Victims' information compiled ~~are~~ is governed under chapter 13. The commissioner must post or communicate, through public service announcements in newspapers, radio, television, cable access, billboards, Internet, websites, and other normal advertising channels, (1) the victim toll-free telephone number, fax number, website address, e-mail address of the victims assistance program, and (2) the specific types of assistance the program provides.

(b) The commissioner may post or communicate, through public service announcements in newspapers, radio, television, cable access, billboards, Internet, websites, and other normal advertising channels, a financial reward of up to \$2,000 for tips leading to the apprehension and successful prosecution of individuals committing economic crime. All rewards must be approved by the commissioner. The release of funds must be made to an individual whose information leads to the apprehension and prosecution of offenders committing economic or financial crimes against citizens or businesses in Minnesota. All rewards paid to an individual must be reported to the Department of Revenue along with the individual's Social Security number.

Sec. 3. **[299A.682] IDENTITY THEFT PASSPORT.**

Subdivision 1. **Authorization and requirements.** The commissioner, in cooperation with any law enforcement agency, may issue an identity theft passport to a person who:

(1) is a victim of identity theft in Minnesota, as described in section 609.527; and

(2) has filed a police report with any law enforcement agency citing that the person is a victim of identity theft.

Subd. 2. **Application.** A victim who has filed a report of identity theft with a law enforcement agency may apply for an identity theft passport through the law enforcement agency. The law enforcement agency must send a copy of the police report and the application to the commissioner. The commissioner must process the application and supporting report, and may issue the victim an identity theft passport in the form of a card or certificate.

Subd. 3. **Use.** A victim of identity theft issued an identity theft passport may present the passport to:

(1) a law enforcement agency, to help prevent the victim's arrest or detention for an offense committed by someone other than the victim who is using the victim's identity; or

(2) a creditor of the victim, to aid in the creditor's investigation and establishment of whether fraudulent charges were made against accounts in the victim's name or whether accounts were opened using the victim's identity.

Subd. 4. **Acceptance.** A law enforcement agency or creditor has the discretion to accept an identity theft passport issued pursuant to this section and presented by a victim. A law enforcement agency or creditor may consider the surrounding circumstances and available information regarding the offense of identity theft pertaining to the victim.

4.1 Subd. 5. **Classification of data.** An application made with the commissioner under
4.2 subdivision 2, including any supporting documentation, is classified as private data on
4.3 individuals under chapter 13.

4.4 Subd. 6. **Rulemaking.** The commissioner must adopt rules necessary to implement this
4.5 section. Rules adopted under this subdivision must include a procedure that enables the
4.6 commissioner to ensure that an identity theft passport applicant has an identity theft claim
4.7 that is legitimate and adequately substantiated.