

Date of Hearing: April 22, 2015

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Jimmy Gomez, Chair

AB 1493 (Cooper) – As Amended March 26, 2015

Policy Committee: Public Safety Vote: 7 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill establishes the California High Technology Crimes Task Force (HTCTF) to, among other tasks, examine existing statutes for adequacy in addressing identity theft, Internet crimes, credit card fraud, and to develop recommendations to prevent and prosecute those crimes, and report the findings to the Governor and the Legislature by December 31, 2017. Specifically, this bill requires the HTCTF, with specified membership, to conduct a study to accomplish the following:

- 1) Analyze existing statutes for adequacy in addressing identity theft, Internet crimes, and credit card fraud. If the analysis determines that those statutes are inadequate, the task force is required to recommend revisions or new provisions that specifically address identity theft, Internet crimes, and credit card fraud;
- 2) Collect and organize data on the nature and extent of identity theft, Internet crimes, and credit card fraud;
- 3) Examine collaborative models between governmental and nongovernmental organizations for prevention and prosecution of identity theft, Internet crimes, and credit card fraud;
- 4) Measure and evaluate the progress of the state in prosecuting identity theft, Internet crimes, and credit card fraud, and protecting and providing assistance to the victims of those crimes;
- 5) Evaluate approaches to increase public awareness of preventing identity theft, Internet crimes, and credit card fraud;
- 6) Consult with governmental and nongovernmental organizations in developing recommendations to strengthen state and local efforts to prevent and prosecute identity theft, Internet crimes, and credit card fraud, and to assist victims of those crimes; and,
- 7) Identify available federal, state, and local funding and grant opportunities to prevent and prosecute identity theft, Internet crimes, and credit card fraud, and to assist victims of those crimes.

FISCAL EFFECT:

- 1) Significant one-time costs, in the range of \$500,000 - \$1 million (GF), over two years, to the new HTCTF to contract for the comprehensive study.

- 2) Moderate ongoing costs to the HTCTF, in the range of \$300,000-\$500,000 (GF), for the administrative support needs of the new state agency and to manage the contract for the study. The assumption is made that representatives of the 11 agencies specified will cover their own travel costs, and other expenses associated with the membership in the HTCTF. Also, the assumption is the HTCTF will continue in some capacity after the study is concluded.

COMMENTS:

- 1) **Author's Statement:** According to the author, "AB 1493 establishes the High Technology Crimes Task Force to tackle the issue of high technology crime, identity theft, and credit card fraud which continues to pose major threats to California, its citizens, its industries, and its enterprises. Convening a task force will help establish collaborative model between governmental and nongovernmental organizations to prevent and prosecute identity theft, internet crimes, and credit card fraud."
- 2) **Background.** Current law establishes the High Technology Theft Apprehension and Prosecution Program (HTTAPP), a program of financial and technical assistance for law enforcement and district attorneys' offices, and for the distribution of funds to develop regional high technology crime units in California law enforcement agencies. Funds distributed under these provisions are required to be expended for the exclusive purpose of deterring, investigating, and prosecuting high technology related crimes.
- 3) **Prior Legislation:**
 - a) AB 49 (Simitian), Chapter 618, Statutes of 2003, created the HTCTF comprised of each regional task force participating in the HTTAPP, and added a representative of the Office of Privacy Protection and a designee of the Department of Finance (DOF) to the High Crime Advisory Committee.
 - b) AB 821 (Simitian), Chapter 556, Statutes of 2001, authorized the Office of Criminal Justice Planning to allocate up to five percent of the funds available in the HTTAPP Trust Fund in order to fund education and training programs for prosecutors and law enforcement engaged in the investigation and prosecution of high technology crime.
 - c) SB 1357 (Johnston), Chapter 654, Statutes of 2000, required the appointment of a designee of the Department of Information and Technology to the HTCAC, and deleted the January 1, 2003 sunset date on the HTTAP making the program permanent.
 - d) SB 157 (Johnston), Chapter 427, Statutes of 1999, extended the HTTAPP until January 1, 2003.
 - e) SB 438 (Johnston), Chapter 906, Statutes of 1997, created the High Technology Theft Apprehension and Prosecution Program (HTTAP) and provided cellular phone cloning forfeiture after a conviction based on equipment misuse