

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**

House Bill 800  
Judiciary

(Delegate Lee, *et al.*)

Judicial Proceedings

---

**Identity Fraud - Police Report**

---

This bill provides that a person who knows or reasonably suspects that he/she is a victim of identity fraud may contact a local law enforcement agency with jurisdiction over any part of the county where the victim lives or the crime occurred. A local law enforcement agency so contacted must promptly prepare and file a report regarding the alleged identity fraud and provide a copy of the report to the victim. The agency contacted by the victim may refer the matter to another law enforcement agency with proper jurisdiction. An agency is not required to count the report as an open case. The bill's provisions are not to be interpreted to interfere with the allocation of resources for the investigation of crimes.

---

**Fiscal Summary**

**State Effect:** This bill's provisions could be handled within existing resources.

**Local Effect:** Minimal increase in expenditures for local governments. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

---

**Analysis**

**Current Law:** State law does not require local law enforcement agencies to take a police report and provide a copy to a person who alleges that he/she is a victim of identity fraud.

Notwithstanding any other law, a law enforcement officer of the Maryland Transportation Authority, the Maryland Port Administration, a municipal corporation, or a county may investigate incidents of fraudulent use of personal identifying information without limitation as to jurisdiction and to the same extent as a law enforcement officer of the Department of State Police. The authority may be exercised only in accordance with regulations adopted by the Secretary of State Police. Also, the authority may be exercised only if an act related to the crime was committed in the investigating agency's jurisdiction or if the complaining witness resides in the investigating agency's jurisdiction. Notification of an investigation must be provided to the specified, appropriate local law enforcement authorities.

**Background:** Local law enforcement agencies have the discretion to take reports from victims regarding alleged identity fraud and many local law enforcement agencies in Maryland do take these reports. However, copies of the report may not be provided to the victim unless a specific request is made and the victim may be charged for a copy of the report.

Identity theft is commonly regarded as one of the fastest growing crimes in the United States. Thieves employ a variety of methods, including looking through dumpsters, watching people enter passwords, and "phishing" for personal information over the telephone or via the Internet to siphon off the value of a person's name and credit. The Federal Trade Commission (FTC) reported 246,570 identity theft complaints nationwide in calendar 2004.

According to FTC, in calendar 2004 Maryland was ranked thirteenth out of 50 states for identity theft, with 83 victims per 100,000 population and 4,612 reported identity theft victims. In calendar 2003, Maryland was ranked eleventh for identity theft with 74.9 victims per 100,000 population and 4,124 reported identity theft victims. The most common type of identity theft in Maryland was credit card fraud, occurring to 1,482 or 32% of victims. Phone or utilities fraud occurred in 21% of reported cases and bank fraud occurred in 17% of reported cases. The areas of Maryland that contained the highest reports of identity theft were Baltimore, Silver Spring, Laurel, Columbia, and Rockville. In a comparison of 49 major metropolitan areas, the Washington Metropolitan area ranked eighteenth for identity fraud complaints with 5,142 reported victims and a crime incidence of 107.2 per 100,000 population. The Baltimore Metropolitan area ranked thirtieth with 2,142 reported victims and a crime incidence of 83.9 per 100,000 population.

**Local Fiscal Effect:** Montgomery County advises that it currently charges \$10 for a copy of a police report on identity fraud. This charge could not be assessed under this bill. As a result, Montgomery County estimates it would lose about \$5,000 in revenues

annually. Calvert County advises that 12 to 24 complaints of identity fraud may be processed annually. Law enforcement personnel already complete the report. The average police report for identity fraud costs about \$30 to complete. The cost to reproduce a report for victims would be about \$5 per report. Calvert County estimates the bill could require about \$840 annually in additional expenditures. Baltimore City and Howard County advise the bill's requirements could be met with existing resources.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Montgomery County, Prince George's County, Caroline County, Calvert County, Howard County, Department of State Police, Baltimore City, Federal Trade Commission, Consumer Sentinel, Identity Theft Data Clearinghouse, Department of Legislative Services

**Fiscal Note History:** First Reader - March 3, 2005  
n/jr

---

Analysis by: Karen D. Morgan

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510