

RESOLUTION 2009-25
A RESOLUTION ADOPTING AN IDENTITY THEFT
PREVENTION PROGRAM
FOR JEFFERSON COUNTY GOVERNMENT

A RESOLUTION IMPLEMENTING A "RED FLAG" PROGRAM TO PREVENT AND MITIGATE IDENTITY THEFT WITH RESPECT TO CERTAIN ACCOUNTS.

The federal Fair Credit Reporting Act, the Federal Trade Commission adopted 16 CFR § 681.2 which requires certain defined creditors to adopt and implement a "red flag" program to prevent and mitigate identity theft with respect to certain accounts; and

WHEREAS, federal regulations define a "creditor" broadly and would include County programs which may extend, renew, or continue "credit" which is defined to include the right to defer payment for services rendered; and

WHEREAS, the County, through its departments, agencies, and programs, may provide services that bring the County within the scope of the federal regulations, for example, providing wastewater services, or by accepting multiple payments for County provided services; and

WHEREAS, the Federal Trade Commission regulations require each creditor of an account covered by the regulations to adopt an Identity Theft Prevention Program designed to detect, prevent, and mitigate identity theft related to information used in covered accounts; and

WHEREAS, the scope of the newly-adopted federal regulations, as well as the regulations' applicability to the various and several County services and programs, is yet unknown and is likely to be modified and refined in the future; and

WHEREAS, the Board under the Home Rule Authority of the county as granted by K.S.A. 19-101a, in adopting a general "red flag" program by this Resolution intends to allow and encourage compliance with the federal regulations by permitting each County department and agency to implement the Board's program as appropriate for that particular department or agency.

NOW, THEREFORE, BE IT RESOLVED by Board of County Commissioners of Jefferson County, Kansas, that the "Identity Theft Prevention Program for Jefferson County Government" is adopted as follows:

Section 1. Purpose.

The Board hereby adopts this Identity Theft Prevention Program for the Jefferson County Government to comply with federal requirements, including those found at 16 CFR §681.2, in order to detect, prevent, and mitigate identity theft by identifying and detecting identity theft "red flags" and by responding to such "red flags" in a manner that will limit and prevent identity theft.

Section 2. Rules Adopted.

The Board hereby approves for use for all County departments and agencies the "Identity Theft Prevention Program Policies and Procedures" ("Red Flag Rules") attached hereto as Exhibit A and incorporated herein by reference. The attached Exhibit A is a general template which may be modified as necessary and appropriate by each County department or agency for use by such department or agency.

Section 3. Applicability.

Any department or agency that provides goods or services to the public and accepts payments in arrears, or otherwise meets the definition of a "creditor" as defined by federal regulations, shall implement the Red Flag Rules for such department or agency.

Section 4. Department and Agency Directors to Oversee Red Flag Rules.

Each department head shall have the authority to implement the Board's adopted Red Flag Rules for such director's department and may amend and modify the Red Flag Rules from time to time to address department or agency-specific matters. Each department head that so modifies the Red Flag Rules shall provide a copy of such modified document to the County Clerk.

Section 5. Discretionary Actions.

Each department head shall have discretion in the implementation of the Red Flag Rules to determine whether activities involving department accounts suggest possible identity theft with respect to existing covered accounts and to take action deemed appropriate under the applicable Red Flag Rules.

Section 6. Updating the Red Flag Rules.

Each department head shall annually review and, as deemed necessary by the director, update the Red Flag Rules in order to reflect changes in risks to customers or to the safety and soundness of the County and its covered accounts from identity theft. Each director shall consider the following factors and exercise discretion in amending the program:

- (1) The department's experiences with identity theft;
- (2) Updates in methods of identity theft;
- (3) Updates in customary methods used to detect, prevent, and mitigate identity theft;
- (4) Updates in the types of accounts that the department offers or maintains; and
- (5) Updates in service provider arrangements.

Section 7. Administration.

Each department head is responsible for oversight of the Red Flag Rules for their respective department. The department head is responsible for reviewing reports prepared regarding compliance with "red flag" requirements and to recommend to the Board any material and significant changes to the County's program to address changing identity theft risks and to identify new or discontinued types of covered accounts. Any recommended material and substantive change to the program shall be submitted to the Board of County Commissioners for review and consideration, provided, however, changes in the County's program made necessary by new or modified federal requirements shall not be deemed material or substantive and may be implemented without express Board action. The County Commissioners and every Elected Official and Department Head, may delegate to another the tasks required by this Resolution and the County's Red Flag Rules.

Section 8. Annual Review of Program.

The County shall undertake annual review of the County's compliance with federal regulations governing identity theft as follows:

The department heads shall report to the County Clerk at least annually on compliance with the "red flag" requirements. The director's report should address the program and evaluate issues such as:

- a. The effectiveness of the policies and procedures of department in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
- b. Service provider arrangements;
- c. Significant incidents involving identity theft and management's response; and
- d. Recommendations for material and significant changes to the adopted Red Flag Rules.

Section 9. Training.

The elected official, department head and agency directors are responsible for providing training to employees involved in covered accounts with respect to the implementation and requirements of the Red Flag Rules. The department heads shall determine the scope and substance of training.

Section 10. Outside Service Providers.

If a department or agency engages a service provider to perform an activity in connection with one or more covered accounts, reasonable efforts shall be made to ensure that the service provider's activities are conducted in accordance with the department's Red Flag Rules, as agreed upon by contract, or that the service provider otherwise takes appropriate steps to prevent or mitigate identity theft.

This is an ordinary home rule Resolution and shall become effective upon its adoption and publication in the newspaper.

Adopted by the Board of County Commissioners of Jefferson County, Kansas, this 20th day of July, 2009.

Board of County Commissioners of
Jefferson County, Kansas

/S/ Richard Malm, Chair

/S/ Roy Dunnaway, Commissioner

/S/ Lynn Luck, Commissioner

ATTEST:

/S/ Linda M. Buttron, County Clerk

BOARD OF COUNTY COMMISSIONERS
OF JEFFERSON COUNTY, KANSAS