

June 24, 2003

Opening Statement by Congressman Paul E. Gillmor
House Financial Services Committee
Subcommittee on Financial Institutions and Consumer Credit Hearing entitled, "Fighting Identity Theft – The Role of FCRA"

Thank you, Mr. Chairman, for holding this important hearing. I appreciate this subcommittee's thorough examination of all the issues surrounding the Fair Credit Reporting Act (FCRA). I continue to believe that ensuring a uniform national standard for consumer protections governing credit transactions is one of the most important tasks this committee will face in the 108th Congress.

As we are all now aware, on January 1, 2004 these standards as established in the FCRA will expire and states will again have the ability to enact differing regulations. Congress enacted the FCRA in 1970, to bring the consumer credit reporting industry under Federal regulation and to create a uniform system of rights governing credit reporting transaction. This mandate has been incredibly successful and allowed for the creation of the sophisticated system we have today. It has greatly expanded consumer access to credit and allowing individual states to enact their own standards would undoubtedly risk its collapse.

The risk of identity theft is of great concern to me. Throughout my years in Congress, I have been a strong supporter of personal privacy especially regarding financial information. Victims of identity theft may not even know they have been targeted until significant, possibly irreparable, damage has been done to their financial profile.

I am happy to be an original cosponsor of the Identity Theft and Financial Privacy Protection Act (HR2035) to combat this increasing problem. This legislation would impose requirements on credit card issuers to help protect against fraudulent change of address notices, codify the use of fraud alerts in credit reports, require the truncation of credit and debit card numbers for many record keeping purposes, and allow consumers to obtain one free credit report from each consumer reporting agency per year.

Thank you again, Mr. Chairman, for allowing us to debate this important issue. I look forward to an informative session.