

RESOLUTION

A RESOLUTION ADOPTING A RED FLAG POLICY AND ESTABLISHING AN IDENTITY THEFT PREVENTION PROGRAM FOR THE TOWN OF FALMOUTH

WHEREAS, pursuant to federal law the Federal Trade Commission (the “FTC”) adopted Identity Theft Rules, also known as requiring the creation of certain policies relating to the detection, prevention and mitigation of identity theft;

WHEREAS, the FTC regulations, adopted as 16 CFR § 681.2 require creditors, as defined by 15 U.S.C. § 1681a(r)(5), to adopt “red flag” policies to prevent and mitigate identity theft with respect to covered accounts;

WHEREAS, 15 U.S.C. § 1681a(r)(5) cites 15 U.S.C. § 1691a, which defines a creditor as a person that extends, renews or continues credit, and defines ‘credit’ in part as the right to purchase property or services and defer payment therefore;

WHEREAS, the FTC regulations include utility companies in the definition of creditor;

WHEREAS, the Town of Falmouth (the “Town”) is a creditor with respect to 16 CFR § 681.2 by virtue of providing utility services or by otherwise accepting payment for municipal services in arrears;

WHEREAS, the FTC regulations define ‘covered account’ in part as an account that a creditor provides for personal, family or household purposes that is designed to allow multiple payments or transactions and specifies that a utility account is a covered account;

WHEREAS, the FTC regulations require each creditor to adopt an Identity Theft Prevention Program which will use “red flags” to detect, prevent and mitigate identity theft related to information used in covered accounts;

WHEREAS, the Town provides sewer services for which payment is made after the service has been provided which by virtue of being utility accounts are covered accounts;

WHEREAS, customer accounts for services for which payment is made after the service has been provided are covered accounts by virtue of being for household purposes and allowing for multiple payments or transactions;

WHEREAS, the duly elected governing authority of the Town of Falmouth is the Town Council thereof.

NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FALMOUTH, MAINE:

Section 1. The Identity Theft Protection Program attached as Exhibit A is hereby adopted and approved.

Section 2. This Resolution shall be in full force and effect as of November 1, 2009.

INTRODUCED, PASSED, APPROVED AND ADOPTED THIS 26th DAY OF OCTOBER, 2009.

By: _____
Nathan Poore
Its duly authorized: Town Manager

Attest:

Ellen Planer, Town Clerk