

Approved: March 24, 2006
Date

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 21, 2006 in Room 526-S of the Capitol.

Committee members absent: Senator Lee, excused

Committee staff present: Athena Andaya, Kansas Legislative Research Department
Raney Gilliland, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes' Office
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Others in attendance: See attached list

Introduction of Bills

The committee had a request to introduce a resolution urging the United States Congress to impose prohibitions or limitations on sale or other dissemination of personal data. An email had been received regarding a data firm selling wireless call records and the implications of this practice were discussed. (Attachment 1)

Moved by Senator Petersen, seconded by Senator Pine, introduction of the proposed resolution. Motion carried.

Approval of Minutes

Moved by Senator Taddiken, seconded by Senator Francisco, the minutes of the meeting of the Senate Utilities Committee held on March 14, 2006 be approved. Motion carried.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachment - 1

~~PROPOSED~~
SENATE RESOLUTION NO. _____

By Committee on Utilities

A RESOLUTION urging the United States Congress to impose prohibitions or limitations on sale or other dissemination of personal data.

WHEREAS, Data brokers promote the sale or other dissemination of personal information, which may have been obtained by illegal or deceptive means; and

WHEREAS, Protection of personal privacy of citizens is of great concern to Kansas legislators and their constituents; and

WHEREAS, In the world of internet transactions, this issue transcends state, and even national boundaries: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas: That the Congress of the United States is urged to prohibit or impose strict limitations on the sale or other dissemination of the social security number or other sensitive personal data of an individual without the individual's authorization; and

Be it further resolved: That the Chief Clerk of the House of Representatives is directed to send an enrolled copy of this resolution to each member of the Kansas Congressional Delegation; United States Attorney General Alberto R. Gonzales, U.S. Department of Justice, 950 Pennsylvania Avenue, NW, Washington, D.C. 20530-0001; Federal Trade Commission Chairperson Deborah Platt Majoras, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580; Federal Communications Commission Chairperson Kevin J. Martin, Federal Communications Commission, 445 12th Street, SW, Washington, D.C. 20554; and Kansas Attorney General Phill Kline.

From: kuet@aol.com
To: jsemmler@kans.com
CC:
Date: Mon, 20 Mar 2006 22:01:21 -0500
Subject: Fwd: CALIFORNIA -- State seeks \$10M from firm selling wireless call records

More info...

-----Original Message-----

From: Carl Krehbiel <carlkreh@mtelco.net>
To: Mary Galligan <MaryG@kird.state.ks.us>; Pat Apple <pat@patapple.org>; Jay Scott Emler <jsemmler@kans.com>; Carl Dean Holmes <repcarl@aol.com>; Janis Lee <jlee@ink.org>; Annie Kuether <Kuet@aol.com>; Tom Sloan <glsloan@prodigy.net>; Josh Svaty <joshuasvaty@hotmail.com>
Sent: Thu, 16 Mar 2006 20:11:14 -0600
Subject: CALIFORNIA -- State seeks \$10M from firm selling wireless call records

CALIFORNIA -- State seeks \$10M from firm selling wireless call records

Attorney General Bill Lockyer (D.) on Wednesday filed a lawsuit against Data Trace USA, Inc., alleging the firm unlawfully obtained and sold wireless customers' confidential monthly call records. The lawsuit seeks more than \$10 million in civil penalties, restitution for consumers who suffered financial harm, and an injunction to stop the firm's unlawful business practices. The complaint, filed in San Diego County Superior Court, alleges Data Trace and its director of operations posed as wireless phone customers, or agents of customers, to fraudulently obtain consumers' monthly call records -- a practice known as 'pretexting.' They then sold access to those records, and advertised their services on their Web site, according to the complaint.

AG Lockyer said his investigation also revealed that Data Trace employees accessed the Verizon Wireless Web site, posed as the deputy attorney general, and then created an online account through which they obtained the deputy attorney general's call records over the past month. The defendants violated state laws that prohibit unfair business practices, and false or deceptive advertising, the complaint alleges. Additionally, the complaint notes, the state Public Utilities Code and the federal Telecommunications Act of 1996 protect the confidentiality of phone users' call records.

"Data Trace has used fraudulent means to commit outrageous invasions of privacy against California cell phone users," AG Lockyer said. "Unfortunately, this company is not alone. These shady operators are increasing in numbers."

Missouri Attorney General Jeremiah (Jay) Nixon (D) filed suit against the company earlier this month. (3/8/06)

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