

## **BILL ANALYSIS**

Senate Research Center  
79R788 ATP-D

S.B. 99  
By: Ellis  
Business and Commerce  
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As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Currently, there is no Texas statute that addresses discrimination based on being a victim of identity theft. In a 2003 study done by the Federal Trade Commission, victims of identity theft were asked whether they had experienced various types of problems as a result of having their personal information misused. A total of 36 percent of identity theft victims reported a problem with one of the following: getting a loan, opening or using a credit card, opening a bank account, or cashing checks.

As proposed, S.B. 99 prohibits a lender or any other person involved in a transaction from denying credit or loans or restricting or limiting the credit extended to a person based on the person being a victim of identity theft. This bill would provide victims of identity theft with another tool to mend their credit histories and bring state law in line with the Federal Equal Credit Opportunity Act, which prohibits creditors from discriminating against credit applicants who exercise their rights, in good faith, under the Fair Credit Billing Act.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 341.401(a), Finance Code, to prohibit an authorized lender or other person involved in a transaction subject to this title from denying an individual who has the capacity to contract an extension of credit, including a loan, in the individual's name or restricting or limiting the credit extended because the individual has been the victim of identity theft. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2005.