

EDOLPHUS TOWNS, NEW YORK  
CHAIRMAN

DARRELL E. ISSA, CALIFORNIA  
RANKING MINORITY MEMBER

ONE HUNDRED ELEVENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM  
2157 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6143

Majority (202) 225-5051  
Minority (202) 225-5074

Statement of Rep. Patrick McHenry  
Ranking Republican Member  
Subcommittee on Information Policy, Census, and National  
Archives

*“Identity Theft: Victims Bill of Rights”*  
June 17, 2009

---

Thank you, Chairman Clay for holding this hearing.

Today the Subcommittee examines a growing threat to the American public, the nation’s economy, and our national security – identity theft.

Identity theft is not a new crime. For centuries, people have found ways to assume the life or personal attributes of others in their society. Over the years, methods and tools have evolved.

The growth of the internet and globalization, for all its prosperity and innovation, has exposed our society to a host of new and evolving threats. No longer bound by the physical world,

criminals can hide behind false or multiple identities, across international borders, and within complex criminal networks.

The rise of identity theft in the past decade prompted increased national attention. From strengthening law enforcement to improving victim assistance, federal and private industry actions have improved the nations' ability to prevent, mitigate, and respond to identity theft.

Javelin Research found that in 2008 an estimated 9.9 million Americans fell victim to identity fraud with an approximate loss of \$48 billion dollars. Despite a 22% increase in incidents, a 31% decline in consumer costs indicates that preventative measures are having a positive effect.

Still, the threat remains and statistics about growing victim rates and multibillion dollar effects can spur the interest in legislative or regulatory action. Instead of patchwork fixes or burdensome legislation, the nation needs to focus on our strengths, and build on our weaknesses, to establish a sound national strategy.

Already, work in the private sector, particularly in the financial industry, has improved consumer protections and victim response. Fostering competition and industry communication enables corporations to assume the responsibility for protecting customer information and building consumer trust.

Centralizing data collection and facilitating law enforcement coordination will improve our ability to understand trends and target criminals.

Finally, ensuring that private citizens understand how to safeguard information and respond to incidents of fraud is vital to preventing the spread of identity theft.

Working as a nation we have the tools to develop a coordinated, flexible, and responsible strategy. We can learn from experience and our respective strengths to strike a balance between federal, corporate, and individual responsibility.

Thank you again and I look forward to today's testimony.