



ROB SUMMERFIELD

STATE REPRESENTATIVE • 67th ASSEMBLY DISTRICT

May 18, 2017

Representative Spiros, Chair

Representative Kremer, Vice-Chair

Members of the Assembly Committee on Criminal Justice and Public Safety

Testimony on 2017 Assembly Bill 196

Relating to the possession of or use of a credit card scanner, providing civil immunity for sellers or distributors of fuel for scanners installed on pumps, and providing criminal penalties.

Dear Chairman Spiros, Vice-Chairman Kremer, and Committee Members:

Thank you for providing me with the opportunity to testify at today's Assembly Committee on Criminal Justice and Public Safety's hearing on 2017 Assembly Bill 196 relating to the possession of or use of a credit card scanner, providing civil immunity for sellers or distributors of fuel for scanners installed on pumps, and providing criminal penalties. I appreciate your time and consideration of this important legislation.

Credit card skimming is a type of theft whereby criminals will use a small external or internal device to steal an individual's personal credit or debit card information from their card's magnetic strip during a valid transaction (such as withdrawing money from an ATM, filling up at the pump, or going out to eat). This information can then be wirelessly transmitted to a criminal's laptop or cellphone, where they then can commit identity fraud remotely; whether it be through a cloned credit or debit card, an online transaction, or selling the individual's information online.

In recent years, credit card skimming has skyrocketed nationwide, including in Wisconsin; with cases reported in Appleton, Brookfield, Eau Claire, Franklin, Green Bay, Janesville, Madison, Oshkosh, West Salem, and more. Unfortunately, since these individuals are unaware their information is being stolen, this type of crime typically goes undetected until it is too late. Worse still, Wisconsin has no explicit laws to combat these devices or their acquisition or use.

Assembly Bill 196 aims to change this oversight in current Wisconsin law by providing law enforcement and individuals the necessary tools to fight back against this insidious crime. By providing specific penalties for these devices, Wisconsin will join the approximately 31 other states, and Puerto Rico, in updating their laws to reflect the propensity and devastation of this modern misconduct.

Thank you again for listening, and I implore you to seriously consider the passage of this proactive, bipartisan legislation.

Assembly Bill 196- Credit Card Skimmers

May 18, 2017

Thank you Chairman Spiros and committee members for the opportunity to discuss the threat that credit card skimmers have on Wisconsin consumers and how Assembly Bill 196 will address those threats. As you may be aware, a credit card skimmer is a small electronic device that can be attached to a card reader on a gas pump or ATM to secretly collect your account information.

In Wisconsin since the start of 2015, card skimmers have been found in over 3 dozen communities. Many of these communities have been targeted multiple times. The threat of having your identity and financial security stolen is increasing with every technological advance. Credit card skimmers are just one of the most recent advances criminals have taken to attack Wisconsin consumers.

Currently, Wisconsin is one of only 19 states that has not enacted criminal penalties for the possession or use of credit card skimming devices into statute. Our law enforcement officers and prosecutors are already stretched to find the perpetrators when a skimmer is discovered, and if they catch the criminal, substantiating the crime can be difficult.

Too many times have law enforcement officers and prosecutors searched our statutes to find language applicable to attaching a skimming device on a gas pump or ATM, only to come up short. Often, unless prosecutors can prove that information was stolen, the accused criminal is simply cited for trespassing. If prosecutors can piece together a criminal conviction under current statutes, it requires extensive resources due to the lack of clarity in our criminal code.

2017 Assembly Bill 196 gives Wisconsin the tools required to combat these crimes and protect Wisconsin consumers. Under this bill, law enforcement and prosecutors would be empowered to hold these criminals accountable for their actions. The bill establishes several terrible acts as crimes relating to credit card scanners and identity theft. First, this bill makes it a felony to possess a credit card scanner with the intent to commit identity theft. Furthermore, we address the trafficking of credit card skimming devices and transactions used by criminals to obtain the devices. In addition, attempted use of a credit card scanner to commit identity theft has been a significant challenge for law enforcement. Moreover, if the accused criminal actually obtains credit, money, goods, services, or something else of value from the use, he or she is guilty of a higher-class felony.

This legislation is supported by The Department of Justice, the Wisconsin Petroleum Marketers and Convenience Store Association, Wisconsin Bankers Association, Association of State Prosecutors, the Wisconsin Sheriffs and Deputy Sheriffs Association and the Badger State Sheriffs' Association.

Thank you again for the opportunity to discuss 2017 Assembly Bill 196.