ORDINANCE NO. 88 IDENTITY THEFT PREVENTION PROGRAM

AN ORDINANCE BY THE TOWN OF BAYSIDE ESTABLISHING AN IDENTITY THEFT PREVENTION PROGRAM, TO SET OUT DEFINITIONS, POLICIES AND PROCEDURES FOR IMPLEMENTATION OF THE IDENTITY THEFT PREVENTION PROGRAM; TO PROVIDE A REPEALING CLAUSE, TO PROVIDE A SAVINGS AND SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Federal Trade Commission adopted rules pertaining to an Identity Theft Prevention pursuant to the Red Flags Rule which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003 which requires that creditors adopt an Identity Theft Prevention Program on or before November 1, 2008; and

WHEREAS, the Red Flags Rule defines creditor to include all utility companies and the Town owns and provides utility services and/or accepts payments for municipal utility services and is therefore classified as a creditor; and

WHEREAS, the Town Council must adopt such Identity Theft Prevention Program and recommends the Identity Theft Prevention Program attached hereto and incorporated herein as Exhibit "A" ("Program"); and

WHEREAS, the Town Council has reviewed the Program and believes it fulfills, complies and implements the Red Flags Rule and other requirements outlined by the Federal Trade Commission; and

WHEREAS, the Town Council finds that it is in the public interest to approve the Program.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BAYSIDE, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the Town Council and made a part hereof for all purposes as findings of fact.

Section 2. Amendment. The Code of Ordinances are hereby amended, by adding a new Ordinance 88, entitled Identity Theft Prevention Program, as is more particularly set out in Exhibit A.

Section 3. Implementation. All procedures and requirements of The Identity Theft Prevention Program shall be implemented as outlined in the Exhibit A.

Section 4. All provisions of the Code of Ordinances of the Town of Bayside in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict,

and all other provisions of the Ordinances of the Town of Bayside not in conflict with the provisions of this Ordinance shall remain in full force and effect.

Section 5. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

Section 6. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provide.

Section 7. Open Meetings. That it is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meeting Act, Capt. 551, Loc. Gov't. Code.

PASSED AND APPROVED on this 21 stday of October, 2008.

TOWN OF BAYSIDE, TEXAS

Billy P. Fricks, Mayor

ATTEST:

Connie Cramer. Town Secretary

APPROVED AS TO FORM:

Hal George, Town Attorney