

IDENTITY THEFT

October 14, 2004

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U. S. Fraud Losses (billions)

- Check fraud \$10
- Securities fraud \$40
- Identity theft \$53
- Employee theft \$55
- Health care fraud \$100

80% increase from 2002 to 2003 and 2003 to 2004

Sources: Federal Trade Commission, National White Collar Crime Center for 2003, JTN
Identity Theft Session

Identity Theft Impacts

- Total Losses (billions):
 - Business and Government \$47.6
 - Victims \$ 5.0
- 4.6% of population (12.7% in past 5 years)
- 9.91 million victims
- 30 hours to resolve problems

Source: Federal Trade Commission 2003 and JTN Session

Other Victim Impacts

- 36% Of Victims Had At Least One Of The Following Problems:
 - Credit Card Problems
 - Collector Harassment
 - Loan Rejection
 - Banking Problems
 - Insurance Rejection
 - Utilities Cut Off
 - Civil Litigation
 - Criminal Investigation

Source: Federal Trade Commission 2003

[Commercials]

How Identification Information Is Stolen

- Friends and Family
- Theft of Purses and Wallets
- Dumpster Diving/Mail Theft
- Pretexting
- Skimming
- ATM Reading
- Telephone Scams
- Phishing
- Firewall Breach

[Video skimming, ATM]

How Stolen Identification Information Is Used

- 85% Misuse Existing Account
 - Credit Card (67%), Checking/Savings (19%), Telephone, Internet, Insurance
 - Account Take Overs
- 17% Open New Account
 - Credit Card (8%), Loans, Telephone Services, Checking/Savings, Internet
 - 15% had more than 5 accounts opened
- 15% Non-financial Use
 - Other Crimes (4%), Government Documents/Benefits (3%), Rent/Housing, Medical Care, Employment, Tax Returns

Federal Crimes

- Misuse Of Identification Documents
- Misuse Of Identification Information, 1998
- Pretexting, 1999
- Others: Credit Card Misuse, Social Security Number Misuse, Bank Fraud, False Statements To A Bank, Wire Fraud, Mail Fraud, Theft Of Government Property
- Montana Identity Theft, 2001

Aggravated Identity Theft

- In response to FTC research, public opinion and threat of terrorism, Congress enacted the Identity Theft Penalty Enhancement Act, effective July 15, 2004
- Act created offense of aggravated identity theft, mandating imprisonment:
 - 2 years if related to certain fraud or theft
 - 5 years if terrorism related

How Businesses Can Avoid Identity Theft

VERIFY!

How to Avoid Identity Theft

- Only put first initial and last name on checks
- When paying credit card accounts, at most, only put the last four numbers on your check “memo” line
- Do not put your SSN on checks
- Shred statements and receipts
- Keep credit card in sight
- Check ATM machines
- Do not give out identification information in response to phone or internet requests
- Keep firewall software current

How Identity Theft Recognized

- Monitoring Accounts – 52%
- Notification By Company – 26%
- Stolen Wallet, Purse Or Other Theft – 9%
- Denied Credit – 8%

What To Do If Identity Stolen

- Place a Fraud Alert by calling the 3 national credit reporting agencies:
 - Equifax 1-800-525-6285
 - Experian 1-888-397-3742
 - Trans Union 1-800-680-7289
- File a police report
- Change credit card and bank account numbers and stop checks (keep a current copy of the front and back of the contents of your purse/wallet)
- Call the FTC at 1-877-IDTHEFT

To Report Identity Theft

- FBI
 - Western Montana
 - Eastern Montana
- Social Security OIG
- U. S. Postal Service OIG
- Local Law Enforcement