



IDENTITY THEFT: A TRAINING FOR FINANCIAL INSTITUTION EMPLOYEES





Idaho Coalition Against Identity Theft

- Idaho Legal Aid was one of the 10 groups awarded a grant under the National Project
- The Idaho Coalition:
Serving victims in our communities.
 - Focus is seniors and “near seniors” age 50+
- Why the Coalition was formed:
 - Identity theft is a growing problem in Idaho.
 - Seniors are often particularly vulnerable to identity theft.
 - Victims in Idaho are not currently being served in a coordinated fashion





**To find out more about the Idaho Coalition
Against Identity Theft (ICAIT) contact**

Sunrise Ayers at

sunriseayers@idaholegalaid.org or

208-345-0106, ext. 1511

**To find out more about the national network
of Coalitions, visit:**

www.identitytheftnetwork.org



Part I

The Impact of Identity Theft on Victims

One Victim's Story

[click to play](#)



Identity Theft Complaints Count from Idaho Victims = 755

Identity Theft Types Reported by Idaho Victims

| Rank | Identity Theft Type | Complaints | Percentage ¹ |
|------|--|------------|-------------------------|
| 1 | Credit Card Fraud | 117 | 15% |
| 2 | Employment-Related Fraud | 110 | 15% |
| 3 | Phone or Utilities Fraud | 107 | 14% |
| 4 | Government Documents or Benefits Fraud | 85 | 11% |
| 5 | Bank Fraud ² | 79 | 10% |
| 6 | Loan Fraud | 19 | 3% |
| | Other | 196 | 26% |
| | Attempted Identity Theft | 61 | 8% |

¹Percentages are based on the 755 victims reporting from Idaho. Note that CSN identity theft complaints may be coded under multiple theft types.

²Includes fraud involving checking and savings accounts and electronic fund transfers.



Total Number of Identity Theft, Fraud and Other Consumer Complaints = 5,502

Fraud and Other Complaints Count from Idaho Consumers = 4,747

Top 10 Fraud and Other Complaint Categories Reported by Idaho Consumers

| Rank | Top Categories | Complaints | Percentage ¹ |
|------|---|------------|-------------------------|
| 1 | Third Party and Creditor Debt Collection | 441 | 9% |
| 2 | Internet Services | 416 | 9% |
| 3 | Foreign Money Offers and Counterfeit Check Scams | 397 | 8% |
| 4 | Shop-at-Home and Catalog Sales | 340 | 7% |
| 5 | Internet Auction | 313 | 7% |
| 6 | Credit Cards | 218 | 5% |
| 7 | Prizes, Sweepstakes and Lotteries | 201 | 4% |
| 8 | Advance-Fee Loans and Credit Protection/Repair | 158 | 3% |
| 9 | Television and Electronic Media | 136 | 3% |
| 10 | Credit Bureaus, Information Furnishers and Report Users | 124 | 3% |

¹Percentages are based on the total number of CSN fraud and other complaints from Idaho consumers (4,747).

Financial Identity Theft

The most common form of identity theft involves the fraudulent use of a victim's personal info for financial gain.

1. the use of the victim's existing credit, bank or other accounts; or
2. the opening of new accounts in the victim's name.



Easy Access



Cameras to view password entry



Card electronic strip readers



Keystroke Capturers



Non-Financial Identity Theft

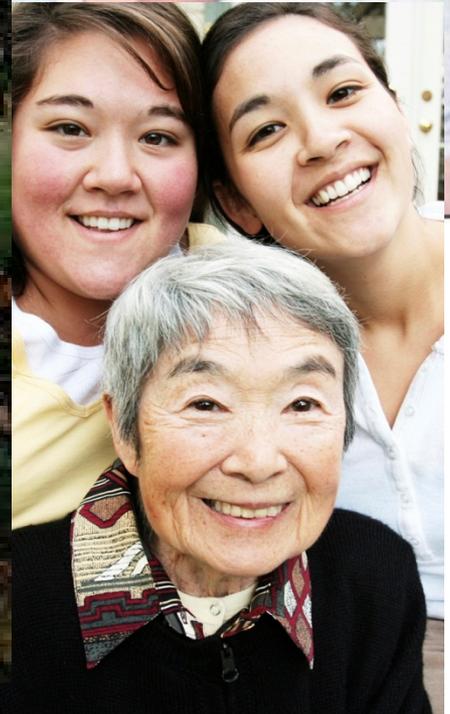
- Criminal Identity Theft
- Medical Identity Theft
- Governmental Fraud
 - IRS tax fraud
 - SSA
 - Dept. of Social Services
- Synthetic Identity Theft
- ID Theft Assumption



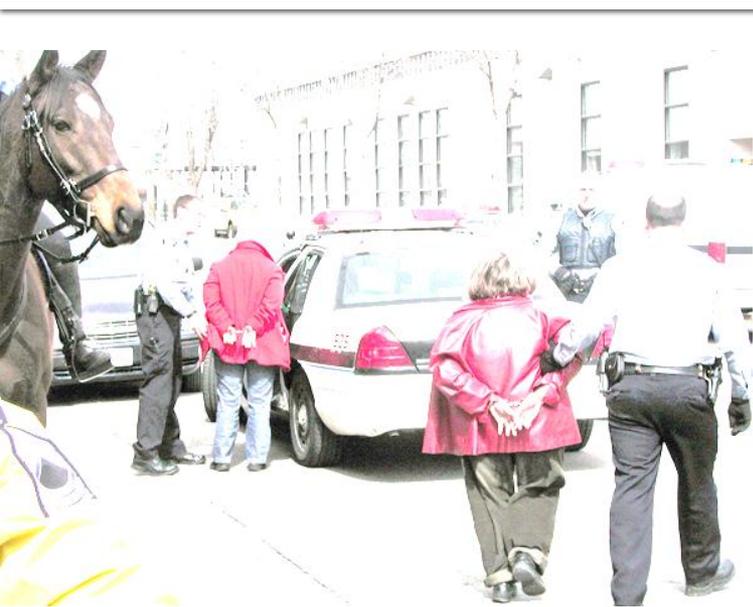
Targeted Populations

- 
- **Elderly**
 - **Homeless**
 - **Battered Women**
 - **Children**
 - **Military**

Who Can Be A Victim?



Consequences of Identity Theft:



1. Denial of credit
2. Increased rates and financial charges
3. Loss of employment
4. Inability to get a job
5. Bankruptcy
6. Arrest
7. Loss of money associated with repairs
8. Missed opportunities (housing, employment, education)



How Does Identity Theft Affect Victims?

- Recovering victims spent an average of \$1,870 in out-of-pocket costs.
- Over 3 million experienced issues such as:
 - having utilities cut off
 - being arrested
 - finding erroneous claims on their health records
 - having child support garnished for kids they never had
 - being harassed by collection agencies

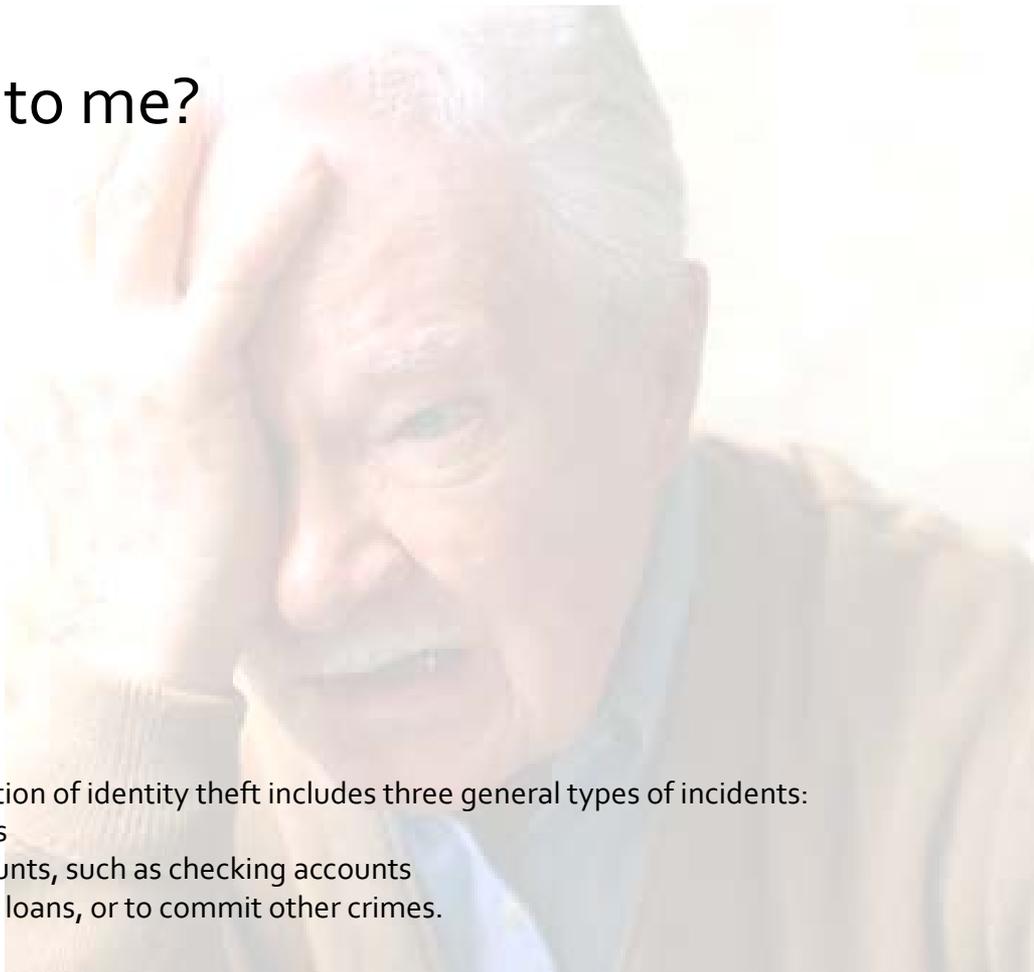


How Does Identity Theft Affect Victims?

53% of victims feel moderate to severe distress from the identity theft

- Why did this happen to me?
- The police don't care
- Anger/Frustration
- Vulnerable/Violated
- Helpless/Stressed
- Depressed
- Suicidal

For the National Crime Victimization Survey (NCVS), the definition of identity theft includes three general types of incidents:

- unauthorized use or attempted use of existing credit cards
 - unauthorized use or attempted use of other existing accounts, such as checking accounts
 - misuse of personal information to obtain new accounts or loans, or to commit other crimes.
- 

Part II

The Recovery: How to Assist Victims After Identity Theft Occurs

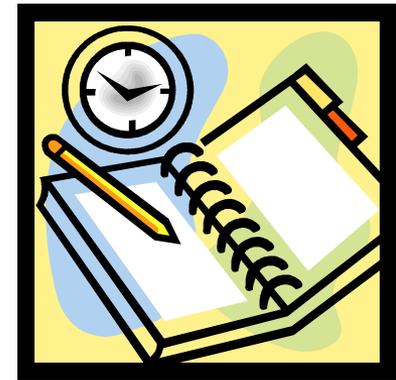
Services Victims Will Need

- Prevention
 - Monitoring accounts
 - How to spot phishing
- Close accounts
- Assist victims with creditors
- Assist with credit report
- Advise to complete an FTC affidavit
- Advise to file a police report
- Provide appropriate referrals



Initial Steps

- First Contact
- Maintaining a Log
 - “Chart Your Course of Action”
- Helpful Documents
 - Government-issued IDs
 - Utility bills or other monthly statements showing victim’s address
 - One or more credit reports showing fraudulent activity
 - Collection letters, credit card or bank statements, or any cards or merchandise received but not ordered
 - A log showing actions victim may have taken to date



Addressing Account-Related ID Theft

Tools:

1. Fraud Alerts
2. Credit Freezes
3. Blocking Information



Some of these tools require an ID Theft Report

- FTC Complaint/Affidavit AND
- Police Report



Step 1: Contact Companies where Thief Committed Fraud

Advise victim to:

- Contact fraud dept. - not customer service
- Instruct company to immediately close or freeze accounts fraudulently opened/used
- Send written dispute including ID Theft Affidavit – police report should *not* be required
- Request closure letter from company describing results of their actions
- Request ID theft-related documents
- Ask where to send dispute & document request



Step 2: Contacting CRAs

Placing an Initial **Fraud Alerts** on Credit Reports

- Signals potential creditors that someone else is using consumer's identity
- Only have to contact one of the 3 CRAs
- Last 90 Days
- Creditor *must* take additional steps to confirm the applicant's identity before issuing new credit, raising limit, etc.
- Entitles victim to free credit report when requested



Step 3:

File a Complaint with the FTC

- FTC hotline phone counselors & web-based consumer guidance to help victims recover
- File an ID Theft Complaint with FTC:
www.ftc.gov/idtheft
877-438-4338 or TTY: 866-653-4261
- Filing with FTC does not substitute for a report to criminal law enforcement. FTC does not take enforcement actions on behalf of individuals.

Remember: Victims need ID Theft Report for Blocking Info = FTC ID Theft Complaint + Police Report



Identity Theft Affidavit

- Provides critical info in comprehensive, standardized manner (less detailed than FTC ID Theft Complaint)
- Can be used in disputes with creditors, credit reporting agencies – widely accepted
- Start with the FTC online complaint:
www.ftc.gov/idtheft
 - Gather info first - credit reports, billing statements, collection letters
 - Include as much detail as possible
- Print complaint, “ID Theft Affidavit”



FTC Complaint Assistant

Step 1

Step 1: Let's Get Started

Welcome to the FTC Complaint Assistant. So that we can properly record your complaint, you will first be asked to answer a series of questions. After answering these questions, you will have the opportunity to provide us additional details regarding your complaint in your own words. Please start by telling us how we can best contact you.

Contact Information

First Name:

Last Name:

Street Address:

Apt/PO



Step 4: File a Police Report

1. Request an appointment for in-person report filing
2. Take along completed FTC ID Theft Complaint
3. Request copy of Official Police Report: Officer may attach ID Theft Affidavit to police report, or department's own police report's details may suffice the goal is to get an ***Identity Theft Report***





Identity Theft Report

- Identity Theft Report is a report:
 - A. that alleges an ID theft,
 - B. that is a copy of an official, valid report filed by a consumer with an appropriate Federal, State, or local law enforcement agency, and
 - C. the filing of which subjects the person filing the report to criminal penalties relating to the filing of false information if, in fact, the information in the report is false.
- Police Report & attached ID Theft Complaint and/or Affidavit
 - The attachments provide the required detail in the Police Report to make it an ID Theft Report



Identity Theft Report Benefits

1. **Blocking fraudulent info from appearing on credit report**
2. **Preventing a company from refurnishing fraudulent info to a CRA**
3. **Preventing a company from selling or placing for collection bad debts that result from ID theft**
4. **Placing an Extended Fraud Alert:** need an ID Theft Report to place an extended 7-yr fraud alert on credit reports.
5. **Obtaining transaction docs from businesses**

Idaho Credit Freeze Law: CREDIT REPORT PROTECTION ACT

- Must be requested with each CRA
- Credit is frozen
 - PIN number to access/un-freeze
- No fee for victims of identity theft





Monitoring Credit Reports

Look for:

1. Accounts victim didn't open
2. Activity on accounts victim had closed or were dormant
3. Changes to personal info such as name, address, DOB, SSN, employer
4. Credit inquiries from companies victim didn't contact



Disputing Info on Credit Reports

- “Blocking,” a new consumer’s right under FCRA § 605B
 - Requires Filing “Identity Theft Report” w/ CRA
 - Requires client to report to law enforcement agency
- Alternative: Standard dispute procedures under FCRA § 611
 - Use when client does not want to file police report



Requirements for Blocking Request to CRAs

- Proof of Identity
- Letter stating person is victim of ID theft & not responsible for the fraudulent transactions
- Marked-up Credit Report indicating all transactions and inaccuracies that result from ID Theft
- “Identity Theft Report”
 - Identity Theft Affidavit may be helpful
- CRAs may request additional info to verify allegations, may designate specific address

Disputing Fraudulent ATM & Debit Card Transactions

- Educate consumers about these short timeframes
- Electronic Fund Transfer Act (EFTA) & Regulation E, issued by the Board of Governors of Federal Reserve, sets forth 3 tiers of liability for unauthorized ATM or debit card uses:
 1. If victim reports lost/stolen card within 2 business days after discovering
 2. If victim fails to report within 2 business days after discovery, but does report its loss within 60 days after statement is mailed
 3. If victim fails to report an unauthorized transfer within 60 days after their statement is mailed



Credit Card Issuer Obligations under the FCBA

Fair Credit Billing Act, *15 U.S.C. § 1601*, (FCBA)

Limits liability to a max of \$50 per card. Victim must:

- send timely certified mail notice of error to creditor
- include name, address, account #, description of billing error, including amount & date of error
- ensure letter reaches creditor within 60 days after first bill containing error was mailed.





Obtaining Business Records Relating to Identity Theft

Victims are entitled to copies of records relating to the theft of their ID, such as applications for credit, under section 609(e) of the Fair Credit Reporting Act:

- Business must give victim copies of applications & other business records resulting from theft.
- Within 30 days, at no cost, without subpoena.
- All requests must be in writing.
- Business may specify an address to receive these requests. Victim should ask business to verify address to which to send request.

Long Term Steps to Recovery

1. Consider an Extended Fraud Alert
2. Obtain Copies of Credit Report
 - Monitor Credit Reports
 - Disputing Fraudulent accounts and transactions by correcting reports
3. Credit Cards
4. Debt Collectors



Extended Fraud Alert

- Lasts for 7 yrs
- CRAs must remove victim's name from marketing lists for pre-screened credit offers for 5 yrs
- Entitled to 2 free credit reports within 12 months from each of the 3 nationwide CRAs
- *Requires ID Theft Report*

Summary of Rights of Victims of Identity Theft

- Right to file identity theft report.
- Right to place fraud alert on credit report.
- Right to free credit report.
- Get documents relating to the identity theft.
- Right to a credit report free of fraudulent accounts.
- Right to stop debt collectors from contacting to collect on fraudulent debts.

*Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 and FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

**THE FAIR DEBT COLLECTION PRACTICES ACT, as amended by Public Law 104-208, 110 Stat. 3009 (Sept. 30, 1996)

Online Training Course

- *Identity Theft Victim Assistance Online Training – Supporting Victims' Financial and Emotional Recovery*



The screenshot shows a webpage with a yellow header and a blue navigation bar. The main content area is white with a blue sidebar on the left. The sidebar contains a table of contents with three items: 'Identity Theft and Financial Fraud', 'The Victim Experience', and 'Victim Assistance: Lessons From the Field'. The main content area has a title 'Identity Theft and Financial Fraud' and a sub-title 'Federal Identity Theft Laws'. Below this is a paragraph of text discussing legislative efforts to create federal identity theft laws. At the bottom of the page, there is a link to a printer-friendly option and a logo for the Office for Victims of Crime.

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Expanding Services To Reach Victims OF IDENTITY THEFT AND FINANCIAL FRAUD

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Publication Date: October 2010
NCJ 230590

- Identity Theft and Financial Fraud
 - Defining Identity Theft
 - Growing Trends in Identity Theft
 - Federal Identity Theft Laws**
- The Victim Experience
- Victim Assistance: Lessons From the Field

[Printer-Friendly Option](#)

Office for Victims of Crime

[Home >> Identity Theft and Financial Fraud >> Federal Identity Theft Laws](#) [Text Size: A | A | A | A](#)

Identity Theft and Financial Fraud

Federal Identity Theft Laws

Legislative efforts to create federal identity theft laws must balance the competing needs of victims, government agencies, and businesses, yet stay flexible enough to anticipate future identity crime issues.

Prior to 1998, crimes that would now be considered identity theft were charged under "false personation" statutes, which go back to the late 19th century. [False personation](#) can be defined as "the crime of falsely assuming the identity of another to gain a benefit or avoid an expense."

It wasn't until Congress passed the [Identity Theft and Assumption Deterrence Act of 1998](#) that identity theft was officially listed as a federal crime. The act strengthened the criminal laws governing identity theft. Specifically, it amended 18 U.S.C. § 1028 ("Fraud and related activity in connection with identification documents") to make it a federal crime to—

knowingly transfer or use, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law. (See <http://www.ftc.gov/os/statutes/itada/itadact.htm>.)

The Identity Theft and Assumption Deterrence Act accomplished four things:

Resources

- Department of Justice, Office for Victims of Crime, searchable database of victim service providers, <http://ovc.ncjrs.gov/findvictimservices/>
- National Crime Victim Law Institute (NCVLI) www.ncvli.org
- National of Victims' Rights Attorneys (NAVRA) www.navra.org



Other Ways You Can Help!

- Provide identity theft prevention tips and recovery steps on your website.
 - Great example here:
<http://www.citywidebanks.com/information-security/identity-theft-prevent.html>
- Have ID theft information available at your branches
- Understand emotional impacts



IDENTITY THEFT VICTIMS
ASSISTANCE NETWORK PROJECT

Questions?

This presentation is supported by Grant No. # 2010-VF-GX-K030 awarded by the Office for Victims of Crime, (OVC), Office of Justice Programs. Points of view in this presentation and accompanying documents are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice.