The logo features the letters 'ID' in a large, bold, red font with a white highlight on the right side of the 'D'. The word 'THEFT' is written in a smaller, bold, black font across the middle of the 'ID'.

# ID THEFT

A red triangle pointing downwards is located on the left side of the slide.

## Identity Theft: FTC's Program for Victim Assistance

A series of diagonal stripes in red and white runs across the bottom of the slide.

September 2004

# What is Identity Theft?

- ◆ When someone else uses your personally identifying information without your knowledge or permission to
    - Obtain Credit Cards
    - Get Wireless or phone products, services
    - Get Loans and Mortgages
    - Obtain Employment
    - Commit Many Other Frauds
- 

# How Does an Identity Thief Get Your Information?

- ◆ Stealing files from places where you work, go to school, shop, get medical services, bank, etc.
  - ◆ Stealing your wallet or purse
  - ◆ Stealing information from your home or car
  - ◆ Stealing from your mail or from mail in transit
  - ◆ Calling you or sending an email with a bogus promise or purpose
- 

# Techniques Identity Thieves Use to Get Information

- ◆ Dumpster Diving
  - ◆ Shoulder Surfing
  - ◆ Breaking & Entry
  - ◆ Bribing or inserting corrupt employees
    - Steal files
    - Run unauthorized credit checks
  - ◆ Skimming
  - ◆ Hacking
  - ◆ Pretexting
    - ❖ Credit reports
    - ❖ Solicitations
    - ❖ Web sites
  - ◆ Phishing
- 

# How Does an Identity Theft Use Your Information?

- ◆ Obtains Credit Cards in your name or makes charges on your existing accounts
  - ◆ Obtains Wireless or telephone equipment or services in your name
  - ◆ Forges checks, makes unauthorized EFTs, or open bank accounts in your name
  - ◆ Works in your name
  - ◆ Obtains personal, student, car and mortgage loans, or cashes convenience checks, in your name
- 

# Other Uses of your Personal Information

- ◆ Commits crimes in your name
  - ◆ Gets medical services in your name
  - ◆ Gets Internet services or sends emails in your name
  - ◆ Leases an apartment or house in your name
  - ◆ Files bankruptcy in your name
- 

# Consequences of Identity Theft

- ◆ Identity thief seldom pays bills for debts incurred under your name
  - ◆ You may not discover for months or years
  - ◆ You are then saddled with bad credit report
  - ◆ Due to bad credit report, you may be denied new credit, loans, mortgages, utility service, or employment
  - ◆ Where criminal record created in your name, you may fail background checks for employment, firearms, etc., may even spend time in jail
- 

# The FTC's Role in IDT

Under the ID Theft Act, the FTC is required to:

Create a database of victims' complaints

- ◆ Provide helpful information to victims of identity theft
- ◆ Refer victims complaints to:
  - law enforcement agencies
  - credit bureaus

# Core Components of FTC's Identity Theft Program

- ◆ Toll-free phone number for victims  
1-877-ID THEFT (438-4338)
- ◆ Web site: [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)
- ◆ Consumer education materials
- ◆ Identity Theft Data Clearinghouse
  - Consumer Sentinel Access
  - Case Referral Program



# FTC Hotline Phone Counselors

## Assist Victims

- ◆ Advise consumers
  - how to minimize risks
  - what first steps to take to recover
  - subsequent steps, referrals to other government agency resources
- ◆ Send out educational materials
- ◆ Log consumer complaint information into the ID Theft database

# FTC's Outreach & Consumer Education

- ◆ ID Theft: When Bad Things Happen to Your Good Name
- ◆ [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)



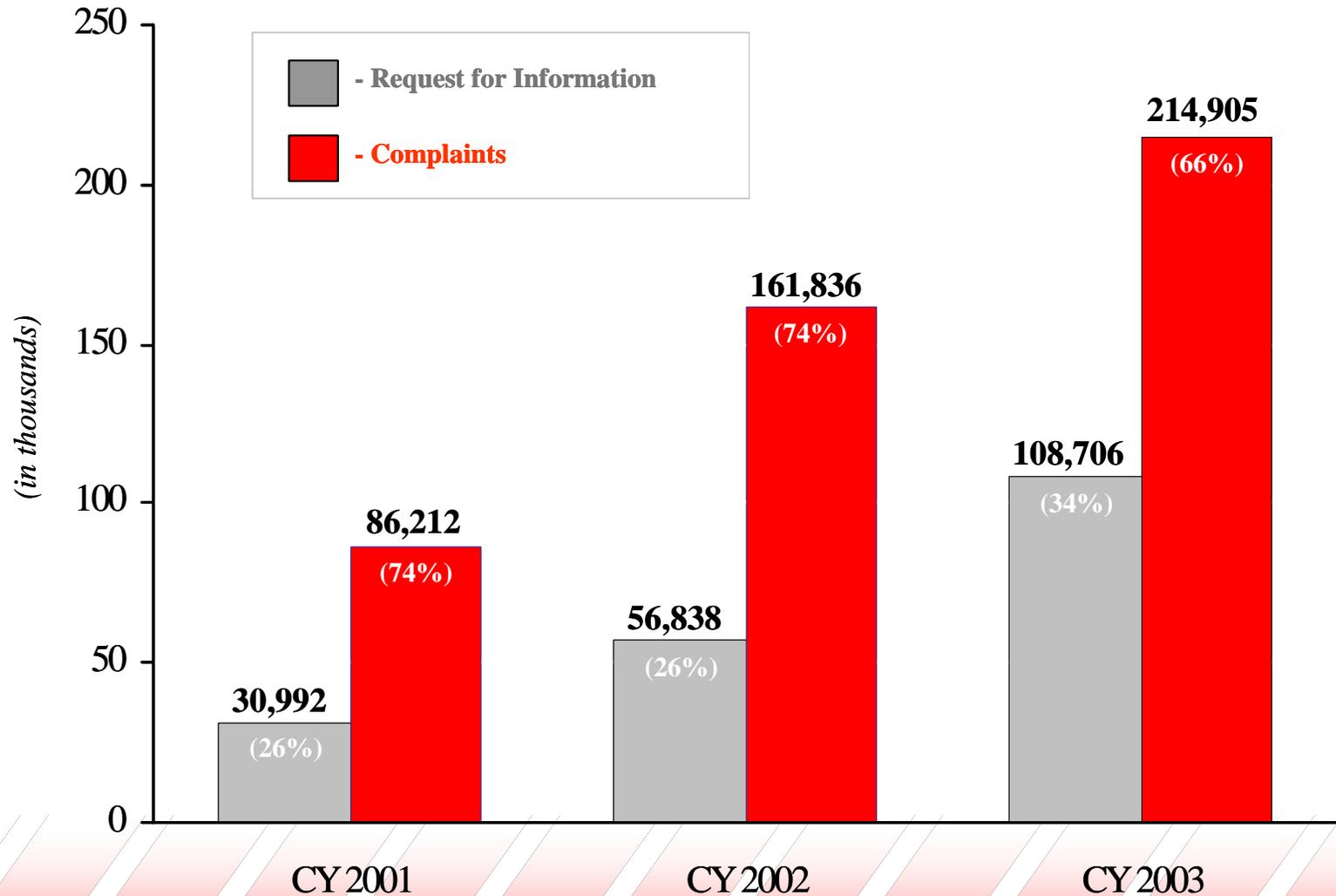
- ◆ [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)
- ◆ I-877-ID THEFT
- ◆ Bulk orders: "publications@ftc.gov"
- ◆ Booklets
- ◆ Reports and Statistics
- ◆ Online Complaint form

# What the Clearinghouse Shows About ID Theft

- ◆ Data from first 4 years of operation analyzed for broad trends and patterns
- ◆ Almost 495,000 records as of Dec 2003.
  - Currently receiving over 10,000 calls per week.
  - Sources: Hotline, Online Complaint Form, Mail, SSA-OIG Fraud Hotline



## Total Identity Theft Records<sup>1</sup> by Calendar Year



<sup>1</sup>Percentages are based on the total number of identity theft records by calendar year.



# How Victims' Information Is Misused<sup>1</sup>

January 1 – December 31, 2003

**Total Number of Identity Theft Victims =  
214,905**

## Credit Card Fraud

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
New Accounts	19.2%
Existing Accounts	12.0
Unspecified	1.4
<b>Total</b>	<b>33%</b>

## Phone or Utilities Fraud

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
Wireless - New	10.4%
Telephone - New	5.6
Utilities - New	3.8
Unauthorized Charges to Existing Accounts	0.6
Unspecified	0.8
<b>Total</b>	<b>21%</b>

## Bank Fraud<sup>2</sup>

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
Existing Accounts	8.2%
Electronic Fund Transfer	4.8
New Accounts	3.8
Unspecified	0.5
<b>Total</b>	<b>17%</b>

## Employment-Related Fraud

<i>Theft Subtype</i>	<i>Percent of All Victims</i>
Employment-Related Fraud	11.1%



## Government Documents or Benefits Fraud

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
Fraudulent Tax Return	3.7%
Driver's License Issued / Forged	2.3
Government Benefits Applied For / Received	1.3
Social Security Card Issued / Forged	0.4
Other Government Documents Issued / Forged	0.4
Unspecified	<0.1
<b>Total</b>	<b>8%</b>

## Loan Fraud

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
Business / Personal / Student Loan	2.3%
Auto Loan / Lease	2.0
Real Estate Loan	1.0
Unspecified	0.3
<b>Total</b>	<b>6%</b>

## Other Identity Theft

<i>Theft Subtypes</i>	<i>Percent of All Victims</i>
Other	11.6%
Illegal / Criminal	2.1
Medical	1.8
Internet / E-Mail	1.7
Apartment / House Rented	0.9
Bankruptcy	0.3
Insurance	0.3
Property Rental Fraud	0.2
Child Support	0.2
Securities / Other Investments	0.2
Magazines	0.1
<b>Total</b>	<b>19%</b>

## Attempted Identity Theft

<i>Theft Subtype</i>	<i>Percent of All Victims</i>
Attempted Identity Theft	8.0%

<sup>1</sup>Percentages are based on the 214,905 total victims reporting. Percentages add to more than 100 because approximately 19% of victims reported experiencing more than one type of identity theft. All victims reported experiencing at least one type of identity theft. For three-year trends, see Appendix E online at <http://www.consumer.gov/sentinel/pubs/Top10Fraud2003.pdf>.

<sup>2</sup>Includes fraud involving checking and saving accounts and electronic fund transfers.



# Major Metropolitan Areas Ranking for Identity Theft – Related Complaints

January 1 – December 31, 2003

Rank	Metropolitan Area	No. of Victims	Victims Per 100,000 Population
1	Phoenix--Mesa, AZ (MSA)	5,041	155.0
2	Los Angeles--Long Beach, CA (PMSA)	13,012	136.7
3	Riverside--San Bernardino, CA (PMSA)	4,381	134.6
4	Miami, FL (PMSA)	2,871	127.4
5	Houston, TX (PMSA)	5,243	125.5
6	Oakland, CA (PMSA)	3,002	125.5
7	Dallas, TX (PMSA)	4,152	118.0
8	Orange County, CA (PMSA)	3,320	116.6
9	New York, NY (PMSA)	10,641	114.2
10	San Diego, CA (MSA)	2,978	105.8
11	Atlanta, GA (MSA)	4,183	101.7
12	Washington, DC--MD--VA--WV (PMSA)	4,936	100.3
13	Denver, CO (PMSA)	2,041	96.8
14	Chicago, IL (PMSA)	7,946	96.1
15	Seattle--Bellevue--Everett, WA (PMSA)	2,186	90.5
16	Detroit, MI (PMSA)	3,963	89.2
17	Newark, NJ (PMSA)	1,719	84.6
18	Philadelphia, PA--NJ (PMSA)	4,168	81.7
19	Tampa--St. Petersburg--Clearwater, FL (MSA)	1,845	77.0
20	Nassau--Suffolk, NY (PMSA)	2,066	75.0
21	St. Louis, MO--IL (MSA)	1,944	74.7
22	Baltimore, MD (PMSA)	1,816	71.1
23	Minneapolis--St. Paul, MN--WI (MSA)	2,019	68.0
24	Cleveland--Lorain--Elyria, OH (PMSA)	1,459	64.8
25	Boston, MA--NH (PMSA)	2,114	62.1
26	Pittsburgh, PA (MSA)	926	39.3

Note: Ranking is based on the number of identity theft complaints per 100,000 inhabitants for each metropolitan area. These charts only illustrate Primary Metropolitan Statistical Areas (PMSA) and Metropolitan Statistical Areas (MSA) with a population of two million or more. Metropolitan areas presented here are those defined by the Office of Management and Budget (OMB) as of 1999 (see <http://www.whitehouse.gov/omb/inforeg/msa99.pdf>). Per 100,000 unit of population counts are based on the 2000 U.S. Census population count (Census 2000 Summary File 1 (SF 1) 100-Percent Data, April 1, 2000).

# FTC's Identity Theft Survey

- ◆ Released September 3, 2003
  - ❖ 3.23 million Victims found that a new account was opened in the past year.
  - ❖ 9.91 million total Victims in the past year and 27.3 million in the last 5 years.
  - ❖ \$47.6 billion was lost by businesses, including Financial Institutions due to the identity thief.
  - ❖ \$5.0 billion was spent by victims to resolve the theft.

# How Can You Protect Yourself from ID Theft?

## ◆ Today:

- Order your credit reports – review carefully
- Put passwords on your accounts
  - ❖ Strong passwords – **not** Mothers Maiden Name
- Secure your personal information in your home from others (roommates, employees)
- Ask about security procedures in your workplace

# Other Steps You Can Take To Prevent Identity Theft

## ◆ Ongoing Basis:

- Order your credit report every year
  - Do not provide personal information over the phone, Internet, or through the mail
    - ❖ Thieves pose as reps from banks, ISPs, gov't agencies
    - ❖ Scams presented as reasonable mistake regarding your account
  - Guard mail and trash from theft
  - Pay attention to billing cycles
  - Be wary of promotional scams
  - Keep your virus protection software updated
- 

# What Should Victims Do?

## ◆ Immediately:

- Call fraud departments of CRAs and get fraud alerts and victim statements placed on credit reports, ask for free credit report
  - Contact creditors' fraud departments, report fraudulent accounts and charges (ask if they accept IDT Affidavit, if not, ask for their fraud packet)
  - Report to local police, get copy of report (be persistent)
- 

# Next Steps for Victims

- ◆ Notify each credit reporting agency of all of the inaccuracies on your credit reports, including Inquiries. Call and follow up *in writing*.
- ◆ Notify each creditor where the identity thief committed fraud *in writing*.
- ◆ Get creditors to provide you something *in writing* stating they have closed the accounts and absolved you of the fraudulent debts

# New Tools and Initiatives for Consumers

## ID Theft Affidavit

Standard form to dispute the charges caused by identity thief

- ◆ Will absolve victim of all charges
- ◆ Submit one form to many creditors, instead of different forms to each
- ◆ Available at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or 877-ID-THEFT or from many creditors
- ◆ Please *don't send* to the FTC

## Police Report Initiative

*If Victim Provides CRAs with Police Report:*

- ◆ CRAs will automatically block the inaccurate information on victim's credit report

## One Call Fraud Alert

*If Victim Reports to One CRA:*

The first CRA contacted will share information with the other two; each company will post a security alert on the credit file and mail the victim a copy of their credit file

# FACTA Rulemakings

- ◆ businesses must share credit, account, and application info w/ IDT victims/law enforcement (§ 151, 609/e)
- ◆ sale/transfer of IDT debt prohibited (§ 154, 615/f)
- ◆ debt collectors must share info w/ IDT victims and report IDT back to creditor (§ 155, 615/g)

# SUMMARY: PROVING YOU ARE A VICTIM

- ◆ Get Police Report; send to CRAs, attach to Affidavit
  - ◆ Complete ID Theft Affidavit or other fraud packets; send to creditors
  - ◆ Get creditors to provide you resolution letters
  - ◆ Organize your documents, keep copies
- 

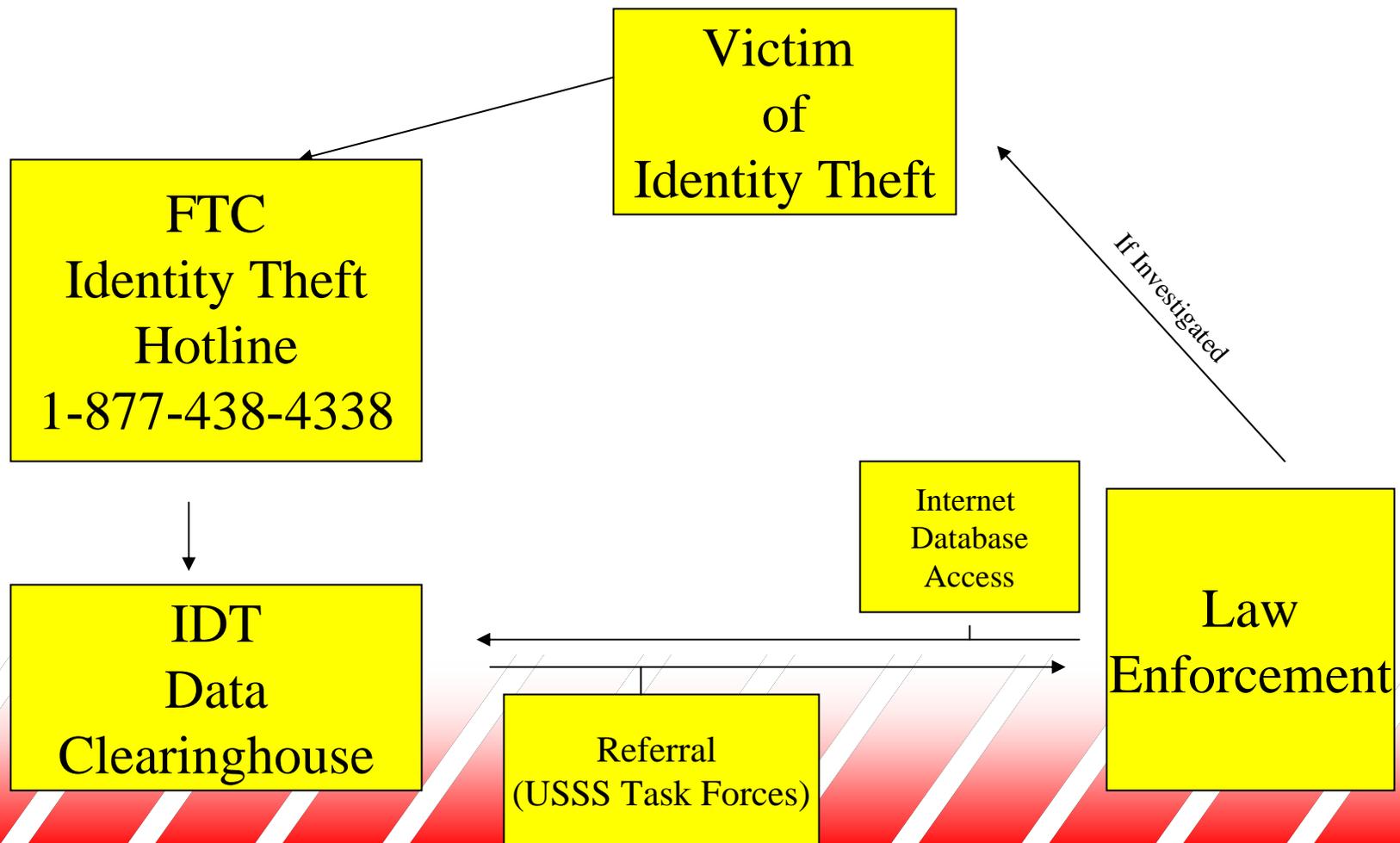


# IDENTITY THEFT

*Data Clearinghouse*



## WHAT HAPPENS TO CONSUMER COMPLAINTS



# FTC's Law Enforcement Coordination

- ◆ Information shared with local, state and federal law enforcement through:

## \*\*\*\*\*CONSUMER SENTINEL\*\*\*\*\*

- Law Enforcement Cyber-Tool
  - Real-time, desktop access through a secure website
  - Coordinate cross-jurisdictional investigations with “ALERTS” function
  - Track particular complaints or patterns with “AUTO-QUERY.”
  - Contacts and Resources
- 

# Identity Theft Data Clearinghouse

- ◆ Federal government's centralized database of identity theft victim complaints
  - Available free of cost over Sentinel Network
- ◆ Sources: FTC Hotline, online complaint form, Social Security OIG
- ◆ Contents
  - victim contact information
  - suspect information: name address phone relation
  - description of crime, details
  - what financial institutions were involved
  - police report number, department name

# SUMMARY

## Resources for consumers:

- ◆ [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)
  - ◆ 1-877-ID THEFT (438-4338)
  - ◆ When Bad Things Happen to Your Good Name
  - ◆ ID Theft Affidavit
  - ◆ Police Report Initiative
  - ◆ One Call Fraud Alert
  - ◆ “publications@ftc.gov”
- 

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