



## **Identity Theft**

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### **I. Definition**

Stealing another person's personal identifying information (DL#, SS#, DOB, MMN) and using that information for their benefit.

Examples:

- Using another person's DL# and writing hot checks
- Using another person's ID, obtaining credit cards and opening bank accounts, running up expenses, bouncing checks then not paying

### **II. Scope**

ID theft is one of the fastest growing crimes in the US.

- According to the Federal Trade Commission (FTC) in 2002 162,000 Americans were victims of identity theft or identity fraud. This is more than 5 times the number in 2000 (31,000).
- Most prevalent types of identity theft are credit card, bank, phone/utilities, government benefits.
- Most victims are between ages 18 and 39.
- Most prevalent in the most populated states: New York, Texas, Florida, Illinois, and California
- In Texas most occurrences in: Houston, Dallas, San Antonio, Austin, Fort Worth

### **III. How is personal information obtained?**

- Theft of wallets, purses
- Mail theft
- Dumpster diving
- Complete "change of address" and divert mail to another location
- Fraudulently obtain credit report by posing as someone with a legit need/right to obtain (employer, lender, landlord) and use info obtained there.
- In your home
- Internet
- E-mail scam (posing as a legitimate company and asking for identity information)
- Theft of files from work (electronic or paper)

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**IV. How personal information is used.**

- Call credit card issuer, change mailing address, and charge away
- Open new credit card account/ bank account/ phone account using your information
- Buy cars/get loans in your name
- Give your name when arrested then don't show up at court; warrant for your arrest

**V. What to advise a client if they are a victim of identity theft**

1. Act quickly, confirm everything in writing.
2. Report it to the FTC 1-877-438-4338 (1-877-ID THEFT)
3. File a police report – Texas Identity Theft Statute (Tex. Penal Code sec 32.51) A person commits an offense if he/she obtains, possesses, transfers, or uses the identity information of another person without consent and with intent to harm or defraud. Felony offense. Penalty – up to 2 years in the grey bar motel, five years probation, 10k fine. Venue where victim lives or where crime committed. Get a copy of the police report.
4. Report to credit reporting agencies –Make an initial report to one of the “big 3” credit reporting agencies (Equifax, Experian & TransUnion) and ask them to put a “fraud alert” on the credit report – they are supposed to notify the other two of the information. (Contacting one is only good for the first report) Request a credit report from all three – subsequent requests for credit reports and fraud alerts need to be made to each company.
5. Report to the fraud department of each creditor, bank, utility, or service that provided the identity thief with unauthorized use of your identification/credit. Find out if they have a particular procedure to follow.
6. Complete the ID theft affidavit – this affidavit was developed to help get unauthorized accounts closed and get rid of debts wrongfully attributed to a person. The form is available on FTC website. The affidavit is used as proof of the identity theft.

**VI. Guarding against identity theft**

- Review credit reports regularly to catch errors early (\$9 is the maximum charge for a credit report)
- In writing, request credit reporting agencies not share your personal information.
- Password protect credit card, bank accounts, phone accounts. Avoid use of mother's maiden name as a password—too common
- Secure personal information at home and work
- Verify the legitimacy of a person/entity before sharing personal information (whether via electronic or other means) Many companies have “Scam alerts” on their websites

- Guard mail and trash from theft—do not deposit mail in an unsecure box—cancel mail when going out of town; tear or shred paper with personal information before discarding
- Ask how information will be used and whether you can choose to have it remain confidential
- Do not carry your social security card with you, and do not use the number as identifier whenever possible
- Review bills carefully and be aware of billing cycles—contact company if a bill not received in usual time/manner
- Install and update virus protection software regularly
- Do not open or download files/attachments from strangers
- Use a firewall program to stop uninvited guests from getting in your system
- Use a secure browser – encrypts or scrambles information you send over the internet. It is working when you see the “lock” icon on the status bar when you are transferring information.
- Laptop – do not store financial/personal information on your laptop, or secure it with an additional password, and always log off when you are finished.
- Do not select “remember password.”
- Clear hard – drive before disposing of a computer using a “wipe” utility. See “Clearing Information From Your Computer Hard Drive” at [www.hq.nasa.gov/office/oig/hq/harddrive.pdf](http://www.hq.nasa.gov/office/oig/hq/harddrive.pdf)
- Opt out of sharing personal information when possible
- Opt out of receiving pre-screened credit card offers  
1-888-5OP-OUT (1-888-567-8688)
- Register with the national and state “do not call” registries  
National: 1-888-382-1222      [www.donotcall.gov](http://www.donotcall.gov)  
State:      1-866-896-6225      [www.texasnocall.com](http://www.texasnocall.com)
- Opt out of unsolicited direct snail mail (Members of the Direct Marketing Association “DMA” will take you off the list for 5 years) [www.the-dma.org/consumers/offmailinglist.html](http://www.the-dma.org/consumers/offmailinglist.html)
- Opt out of receiving unsolicited e-mail [www.dmaconsumers.org/offmaillist.html](http://www.dmaconsumers.org/offmaillist.html)

## VII. Resources

### Statutes:

- 1998 Identity Theft Act – federal law that makes id theft a separate crime against the person whose identification is stolen; broad scope of offense and includes misuse of information and documents. Fine or jail up to 10 years. Establishes toll-free number through FTC for consumers to make complaints; stored in a national database that is available to fed, state, and local law enforcement.
- Texas Identity Theft Statute (Tex. Penal Code sec 32.51)

### Credit Reporting Agencies

- Equifax – [www.equifax.com](http://www.equifax.com)  
To order your report, call: 800-685-1111 or write:  
P.O. Box 740241, Atlanta, GA 30374-0241  
  
To report fraud, call: 800-525-6285 and write:  
P.O. Box 740241, Atlanta, GA 30374-0241  
Line at 1-800-685-1111 to request a copy of your report.
- Experian – [www.experian.com](http://www.experian.com)  
To order your report, call: 888-EXPERIAN (397-3742) or write:  
P.O. Box 2002, Allen, TX 75013  
  
To report fraud, call: 888-EXPERIAN (397-3742) and write:  
P.O. Box 9530, Allen, TX 75013  
TDD: 1-800-972-0322
- TransUnion – [www.transunion.com](http://www.transunion.com)  
To order your report, call: 800-888-4213 or write:  
P.O. Box 1000, Chester, PA 19022  
  
To report fraud, call: 800-680-7289 and write:  
Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92634  
TDD: 1-877-553-7803

### Check Verification Companies

- Telecheck 1 800 710 9898
- Certegy, Inc. 1 800 437 5120
- International Check Services 1 800 631 9656
- SCAN 1 800 262 7771

**Government agencies** (Most federal agencies have an id theft section on their websites)

- Federal Trade Commission: [www.consumer.gov.idtheft](http://www.consumer.gov.idtheft)  
How to file a complaint, id theft affidavit, recovering from id theft
- Department of Justice: Identity Theft and Fraud  
[www.usdoj.gov/criminal/fraud.idtheft.html](http://www.usdoj.gov/criminal/fraud.idtheft.html)
- Texas Attorney General: [www.oag.state.tx.us/consumer/id theft](http://www.oag.state.tx.us/consumer/idtheft).

**Other helpful/interesting sites**

- Identity Theft Resource Center [www.idtheftcenter.org](http://www.idtheftcenter.org)
- Privacy Rights Clearinghouse [www.privacyrights.org](http://www.privacyrights.org)
- Identity Theft [www.identitytheft.org](http://www.identitytheft.org)
- Fight Identity Theft [www.fightidentitytheft.com](http://www.fightidentitytheft.com)
- “Clearing Information From Your Computer Hard Drive” at  
[www.hq.nasa.gov/office/oig/hq/harddrive.pdf](http://www.hq.nasa.gov/office/oig/hq/harddrive.pdf)
- National and state “do not call” registries  
National: 1 888 382 1222 [www.donotcall.gov](http://www.donotcall.gov)  
State: 1 866 896 6225 [www.texasnocall.com](http://www.texasnocall.com)
- Direct Marketing Association “DMA” [www.the-dma.org/consumers/offmailinglist.html](http://www.the-dma.org/consumers/offmailinglist.html) and [www.dmaconsumers.org/offmaillist.html](http://www.dmaconsumers.org/offmaillist.html)