

Identity Theft

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Introduction

The 1990s brought us a new variety of crooks known as identity thieves. They live on our day-to-day transactions by stealing some piece of personal information without our knowledge. This is becoming the most prevalent and costly epidemic in America, involving an estimated 750,000 new victims and more than \$500 million lost each year.

Through this program, participants will:

1. Learn what identity theft is
2. Become aware of steps consumers can take to prevent it from occurring
3. Understand steps to take if identity theft occurs
4. Learn about the laws passed and other help available

What Is Identity Theft?

It is defined as the fraudulent use of a person's personal information such as Social Security number, date of birth, credit cards, bank account numbers, and other pertinent personal information. This personal information can be obtained by stealing wallets, mail, and credit union statements; interrupting electronically transmitted information; rummaging through another's trash; stealing personal information from the workplace; fraudulently obtaining another's credit reports; and/or purchasing personal information from "inside" sources.

What can identity thieves do with your personal information? They can make purchases on your credit cards, call credit issuers pretending to be you and asking for a change of address, open new credit accounts, open a bank account in your name and write checks on that account, drain your checking account, and file for bankruptcy, buy cars, and take out loans

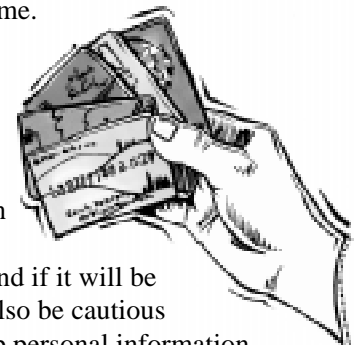
in your name. In other words, they can create major financial havoc with this personal information.

Although identity theft cannot be stopped entirely, consumers can take important steps to slow down the process and to protect themselves.

Protective Steps to Take

Your identity and credit rating are probably the most important things you own. Identity theft puts an ugly face on your good name.

Use common sense and be suspicious when things don't seem right. Before you reveal any personal identification information, find out how it is to be used and if it will be shared with others. Also be cautious about where you keep personal information in your home.



Here are some preventive steps you can follow.

1. Do NOT give personal information such as your Social Security number or account number over the phone, through the mail, or over the Internet.
2. DESTROY credit card applications you receive in the mail that you do not plan to use by shredding or tearing them into fine pieces rather than just throwing them away.
3. Cut up old credit cards and credit card receipts as well as old checks, deposit slips, and other items with your account numbers on them.
4. Place passwords on your credit cards, bank account(s), and phone accounts.

5. Protect your ATM personal identification number (PIN). Do NOT make it your birth date or street address. Make it difficult for anyone to figure out.
6. Only carry a few credit cards and a minimum amount of identification information with you.
7. Pay strict attention to your billing cycles and check your statements carefully.
8. Store personal information in a safe place in your home.
9. Order copies of your credit report from each of the three major credit bureaus once or twice a year to check their accuracy.
10. Do NOT carry your Social Security card with you. Leave it at home in a safe place.
11. Do NOT put your Social Security number on your checks.
12. NEVER provide your home address or Social Security number to anyone when you make a credit card purchase. If a clerk gives this information over the phone, demand to know to whom it was given and why.
13. Do NOT sign up for or use Web sites that require filling out personal information forms.
14. Use ATMs only in well-lit, busy, accessible areas, especially at night. Cover the screen so others may not see your PIN.



Let's consider your Social Security number for a moment. This is an especially hot item for identity thieves because the number is often the key to opening doors to money. Who needs your Social Security number? The obvious ones are your employer and financial institution for wages and tax reporting.

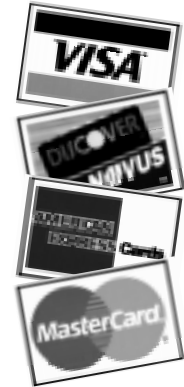
Do NOT give your Social Security number just because a business asks for it. Find out:

- Why is it needed?
- How it will be used?
- Does the law require you give the number, and what are the consequences if you don't?

If You Are a Victim

If you become aware or suspect that your personal information has been stolen or misappropriated to commit theft, take immediate action. Keep a record of your correspondence and conversations. Three things you MUST do are:

1. Contact the fraud department of each of the three major credit bureaus. Report your identity theft and request that a "fraud alert" be placed in your file. Also request a copy of your credit report. *(The names, addresses, and Internet addresses of the credit bureaus are listed at the end of this publication.)*
2. Contact the security departments of the appropriate creditors or financial institutions. Follow up with a letter. Close all accounts that have been tampered with.
3. File a report with your local police or the police department in the area where the identity theft took place. Get a copy of the police report.



You may also want to file a complaint with the Federal Trade Commission by contacting its Identity Theft Hotline (1-877-438-4338). Although the Federal Trade Commission does not have the authority to bring criminal cases, it can provide information to help victims resolve problems.

Other things you can do:

- Stop payment on checks that have been stolen or misused.
- Immediately cancel your account or calling card if a new phone service has been started in your name or unauthorized calls have been made.
- If your wallet or purse has been stolen, contact your bank, credit card companies, department of motor vehicles, etc. Close old accounts. Also notify the police in the area where it was lost or stolen.

Most important is to make a list of all your credit card numbers and bank account numbers, along with customer service phone numbers. Keep the list in a safe place and update it as necessary.

Be aware that as a victim of identity theft, you may find the cooperation of banks, agencies, and police department difficult. Be patient, savvy, and assertive. Follow each phone contact with a certified letter and return receipt. Keep accurate records of all you do.

Laws and Reference Help

West Virginia was one of the first states to make identity theft a crime. The 1998 West Virginia law reads as follows:

W.Va. Code § 61-3-54

Taking identity of another person, penalty

“Any person who knowingly takes the name, birth date, social security number or other identifying information of another person, without the consent of that other person, with intent to fraudulently represent that he or she is the other person for the purpose of making financial or credit transactions in the other person’s name, is guilty of a felony, and upon conviction, shall be punished by confinement in the penitentiary not more than five years, or fined not more than one thousand dollars, or both. Provided. That the provisions of this section do not apply to any person who obtains another person’s drivers license or other form of identification for the sole purpose of misrepresenting his or her age.”

Three Credit Bureaus

TransUnion LLC

Consumer Disclosure Center

P.O. Box 1000

Chester, PA 19022

www.tuc.com

Equifax Information Services LLC

P.O. Box 74241

Atlanta, GA 30374

www.equifax.com

Experian

P.O. Box 2104

Allen TX 75013

www.experian.com

Suggested Activities

1. Have participants check newspapers, magazines, and news reports about identity thefts.
2. If a member has been a victim, ask if he or she would share the information with the group.
3. Discuss how each person can be careful and protect himself or herself from identity theft.

Resources

Federal Trade Commission reports, 2001 and 2002

W.Va. Attorney General’s Consumer Protection Service

TransUnion Fraud Victims Information, 2002

FDIC Consumer News

2003: 1M

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