

**"JUST
THE
FACTS"**



MTIBRS Training & Technical Assistance

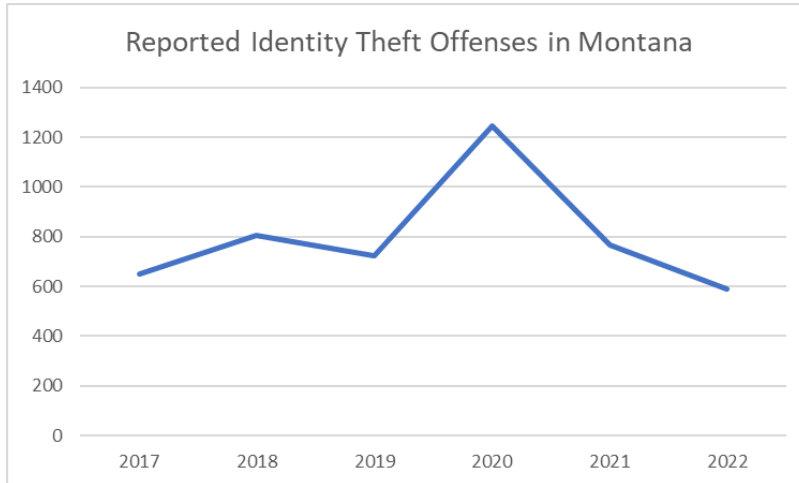
Elements of Identity Theft

Identity Theft Statistics

- ▶ According to the 2022 Javelin Strategy & Research Report:
 - ▶ Identity theft occurs once every 2 seconds
 - ▶ Total identity fraud losses were \$43 billion - down from \$52 billion the year before, a decline of 17%.
- ▶ The National Center for Victim Research, reports that 7 - 10% of US adults are victims of Identity Theft annually
- ▶ According to the Identity Theft Resource Center, the most frequent victims lose less than \$500.
- ▶ The Federal Trade Commission reports:
 - ▶ Victims **UNDER** the age of 60 are more likely to be targeted
 - ▶ Those over 60 lose more money as a result of identity theft and fraud - about \$1,100 on average.

- According to a recent Ernst & Young survey, Millennials and Gen-Z generation are less likely to follow cybersecurity protocols than their older counterparts. The survey found that younger generations who grew up with computers and internet access “are significantly more likely to disregard mandatory IT updates for as long as possible.” – In other words Younger generations are **overly confident!**

Identity Theft in Montana 2017-2022



- These are only numbers reported to law enforcement – so much of these crimes are NOT reported, either to LE or the FTC!
- 2020 – pandemic? Scammers taking advantage of all us of folks working at home, buying silly stuff online?

What is Identity Theft?

- ▶ According to the FBI, Identity Theft is defined as:
 - ▶ Wrongfully obtaining and/or using another person's personal data, including:
 - ▶ Name
 - ▶ Date of Birth
 - ▶ Social Security Number
 - ▶ Driver's License Number
- ▶ This also includes opening a credit card account, bank account, other financial accounts (including medical, such as Medicare)

Identity Theft in Montana

► Theft of Identity 45-6-332

- A person purposely or knowingly obtains personal identifying information of another person and ***uses that information for any unlawful purpose***, including to obtain or attempt to obtain credit, goods, services, financial information, or medical information in the name of the other person without the consent of the other person.

- I'll compare our Theft of Identity statute to our Burglary statute – there is no element of theft in Burglary, but it specifically states that once in the structure, there is “purpose to commit an offense”. You then charge whatever that additional offense might be, on top of the burglary – well, think of our Theft of Identity statute in a similar light. The key phrase in our Identity Theft statute is “*and uses that information for any unlawful purpose.*” Just because someone’s personal information was stolen or compromised, doesn’t necessarily mean that there was any economic loss/gain. You’d still use this statute, regardless, but if there was evidence to support that an additional unlawful offense occurred, such as theft or fraud, then you would add a separate offense.
- And on that note, you would ONLY add that additional offense if the victim themselves suffered a loss. Do NOT report losses incurred by credit card companies, government programs (SNAP, Medicaid), etc. By doing so, you are only inflating numbers and reporting losses from a victim that may have already reported it elsewhere.

Identity Theft in Montana

► Theft of Identity 45-6-332

(2) (a) The offense of Theft of identity if no economic benefit was gained or was attempted to be gained or if an economic benefit of less than \$1,500 was gained or was attempted to be gained (*majority of the time*)

(b) The offense of Theft of identity if an economic benefit that exceeds \$1,500 and does not exceed \$5,000 was gained or was attempted to be gained

(c) A person convicted of Theft of identity if an economic benefit exceeding \$5,000 in value was gained or attempted to be gained

- There are three penalty subsections with Theft of Identity, and all revolve around the amount, if any, of the economic benefit - Subsection 2A being the most utilized

Identity Theft Reporting Tidbits

▶ Location

- ▶ Can use many locations, including Cyberspace & Other/Unknown

▶ Property

- ▶ “Identity Documents” as property type
 - ▶ **Must** be listed as “stolen”
- ▶ Value of Property - mandatory zero value
- ▶ Cargo Theft Indicator is Mandatory

- Reporting ID Theft is actually fairly simple
- The easiest property type to select for ID Theft is Identity Documents and is the most sensible
- Reminder – Montana under XML automatically defaults to NONE unless otherwise indicated!

Identity Theft Scenarios

Ann, a 94 year old female, receives a call from an unknown male requesting to confirm her Medicare account information. Ann provides her full name, DOB & Medicare account number. Weeks later, packages containing random medical equipment are delivered & unusual claims appear on Ann's Medicare statements.

- ▶ Ann's personal information was exposed & then utilized to collect substantial Medicare benefits
- ▶ Ann did not suffer any monetary loss
- ▶ The Identity Theft could be reported to LE & FTC, but NOT Theft as she did not suffer any economic loss
- ▶ The fraudulent activity was reported to Medicare & a new account number was issued

- This "Ann" is actually my grandmother in Newport Beach, CA. My grandmother, who has a master's degree from Vanderbilt, is one of the brightest women I have ever met and she still fell victim to scammers – they are THAT good!

Identity Theft Scenarios

Thomas, a 34-year-old male, placed a \$500 down payment via PayPal on a Golden Retriever puppy via Craigslist. During the transaction, he established a rapport with the seller, providing him with his name, DOB & residence. Once payment was made, Thomas was unable to reach the seller via phone or email for several days. He then received an Experian alert that an Amazon CC had been created in his name, which already had a \$2,000 balance.

- ▶ Thomas suffered monetary loss & his personal information was exposed, which was utilized to create a fraudulent account
- ▶ Both Theft of Identity & Theft can be reported to LE (preferably 2 cases due to time & place rule)
- ▶ Reported to FTC & Amazon, which required proof of LE report & ultimately, Thomas was not liable for the fraudulent account

Identity Theft Scenarios

Louise, a 21-year-old college student, receives an email from her bank, Wells Fargo, with a link to confirm her account information. She clicks on the link & quickly fills out any missing or wrong information & submits the form. Hours later, she receives a text notification that her bank account has been overdrawn. She calls WF to discover the earlier email was actually fraudulent. WF instructs her to report the incident to LE & after a bank investigation (up to ten days), her funds would be reimbursed.

- ▶ Louise's personal information was exposed & was utilized to make fraudulent transactions
- ▶ The Identity Theft was reported to LE & FTC & after a 10-day bank investigation, Louise's funds were reinstated. During that time, she used her CC to pay for necessary purchases, which totaled \$1,500. However, this amount should NOT be listed under any reportable offense!

Identity Theft Resources

- ▶ Encourage victims of Identity Theft to report it to the Federal Trade Commission:
<https://www.identitytheft.gov/>
- ▶ Additional Identity Theft Resources:
<https://consumer.ftc.gov/features/identity-theft>
- ▶ National Council on Identity Theft Council:
<https://identitytheft.org/statistics/>
- ▶ Identity Theft Resource Center:
<https://www.idtheftcenter.org/>

Upcoming Training

- ▶ June 21, 2023 - Bond Books and MTIBRS
- ▶ July 19, 2023 - Intimidation Assault PFMA Issues
- ▶ August 2, 2023 - XML Scheduled Submissions

▶ <https://mbcc.mt.gov/Data/MTIBRS-Training>

Do you have suggestions for future session topics? We'd love to hear them! Please email your ideas to

MBCCdata@mt.gov

MBCC Contact Information



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