

Education & Training Bulletin

Related Documents: The D.S.O. entitled, "The United States Secret Service."
The G.O. entitled, "Inventory System for Property Taken into Custody."
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FINANCIAL IDENTITY THEFT

Overview

- * Introduction to Financial Identity Theft.
- * Identifying new state statutes and new Illinois Uniform Crime Reporting (IUCR) Codes.
- * Determination of the proper procedures for processing Financial Identity Theft cases, including case reporting, classifying, placing charges, recovery and inventory of documents, and notifications.

INTRODUCTION

The purpose of this Training Bulletin is to familiarize Department members with the newly enacted state statutes of Financial Identity Theft and Aggravated Financial Identity Theft. This bulletin is intended to define Financial Identity Theft, the related statute, and how this crime will be reported.

GENERAL INFORMATION

Financial Identity Theft refers to unauthorized use of personal identification documents or personal identifying information of another person to commit financial fraud. Financial Identity Theft can encompass a number of crimes ranging from the unauthorized use of a credit card to a complete take over of another person's identity and financial accounts. The financial identity thief may use the personal identifiers of another to obtain credit cards, open checking accounts, apply for loans, rent apartments, establish services with utility companies, and engage in many other types of fraudulent activities.

BACKGROUND

The wide spread availability and unauthorized access to personal identifying information have lead to a substantial increase in Financial Identity Theft related cases. In the past, victims whose names, dates of birth, or social security numbers were used in these types of fraud were considered to be only witnesses. If the bank, credit card issuer, or store refused to sign complaints, the identity theft victim was left with no means of redress. Someone still had the victim's personal information. Under the new state statutes, these victims now have recourse within the criminal justice system. The new state statutes make it unlawful to fraudulently use another's personal identifying information to commit financial fraud.

Financial Identity Theft can claim many victims. Credit grantors such as banks and retail merchants can be victims because they finance the selling of goods and services for which payment has not been received. The individuals whose personal identifying information has been stolen are victims, even though they may be protected by insurance coverage or credit card reimbursement provisions. Although they have no out-of-pocket losses, financial identity theft victims can nonetheless suffer from injuries to their reputations and must undergo a very lengthy and agonizing process to reestablish their credit.

The victim whose identity is stolen can sign complaints in an identity theft prosecution.

There is no stereotype of an offender who commits Financial Identity Theft. The offender may or may not

be known to the victim. The method of operation also varies. Information could be obtained by digging in trash cans (dumpster diving) at banks, mortgage firms, credit agencies, personal residences, or any organization that maintains personal information. Credit card statements and bank statements can be stolen from mail boxes. Some offenders have easy access to credit reports while employed at car dealerships, mortgage houses, collection agencies, or utility services. Those working as telemarketers and mail clerks also have easy access to available information and documents. Some of this information can also be found on the Internet, from public records, or in obituaries.

STATE STATUTES

Financial Identity Theft: [Chapter 720 ILCS 5/16G-15(a)]: A person commits the offense of Financial Identity Theft when he or she knowingly uses any personal identifying information or personal identification document of another person to fraudulently obtain credit, money, goods, services, or other property in the name of the other person.

	Examples
Credit:	credit and debit cards, automobile loans.
Money:	cash, loans, insurance and unemployment benefits, 2nd mortgages.
Goods:	any tangible item, computers, automobiles.
Services:	bank accounts, utility services, telephone service.
Other property:	real estate, apartment rental or anything that does not fall in the above four categories.

Aggravated Financial Identity Theft: [Chapter 720 ILCS 5/16G-20(a)]: A person commits the offense of Aggravated Financial Identity Theft when he or she commits the offense of financial identity theft as set forth in Section 16G- 15(a) against a person 60 years of age or

older or a disabled person as defined in Section 16-1.3.

According to 720 ILCS 5/16G-10(a), **“Personal Identification Documents”** include the following:

- birth certificates.
- driver licenses/state identification cards.
- public, private or government employment identification cards.
- social security cards.
- firearm owner's identification cards.
- credit cards/debit cards.
- a passport issued to or on behalf of a person other than the offender.
- and documents made or altered in a manner that it purports to have been made on behalf of or issued to another person or by the authority of one who did not give that authority.

According to 720 ILCS 5/16G-10(b), **“Personal Identifying Information”** includes the following:

- a person’s name.
- a person’s address.
- a person’s telephone number.
- a person’s driver license number or state identification number.
- a person’s social security number.
- a person’s public, private, or government employer, place of employment, or employment identification number.
- the maiden name of a person’s mother.
- the number assigned to a person’s bank account, checking account or brokerage account.
- the number assigned to a person’s credit card or debit card or similar cards issued by a financial institution, corporation, or business entity.
- personal identification numbers.
- electronic identification numbers.
- digital signals.
- any other numbers or information which can be used to access a person’s financial resources.

A Knowledge Resource for Chicago Police Department Members

INCIDENT	REPORT TO BE USED	OFFENSE / INCIDENT CLASSIFICATION		OFF. CODE	REFERENCE
		PRIMARY BOX	SECONDARY BOX		
Financial Identity Theft					
Obtain Credit, Money, Goods, Services or Other Property -over \$300	General Offense	Financial Identity Theft	Over \$300	0840	720 ILCS 5/16G-15
- \$300 & Under	General Offense	Financial Identity Theft	\$300 & Under	0841	720 ILCS 5/16G-15
Aggravated, against a person 60 years or older or a disabled person	General Offense	Financial Identity Theft	Aggravated	0842	720 ILCS 5/16G-20

CASE REPORTING

In order to properly report and compile statistics regarding Financial Identity Theft, the Department has created new IUCR Codes to address this crime. The new codes are listed above.

These IUCR Codes are intended to record direct attempts to assume the victim's identity to commit financial fraud, not merely individual incidents of forgery, violations of the Illinois Credit Card and Debit Card Act, etc.

Any use of the victim's name in conjunction with the victim's social security number will be reported as a Financial Identity Theft.

The following are examples of incidents involving Financial Identity Theft and how they should be reported:

Example #1. A man requests and receives his credit report from Trans Union and discovers that person(s) unknown have applied for and received credit cards in his name.

This example should be reported on a General Offense Case Report - CPD-11.380, Primary Box : Financial Identity Theft, Secondary Box: \$300 & Under, IUCR Code 0841.

Example #2. A woman receives, in the mail, a bill from ABC Computers for a computer that she never purchased. After contacting the store, she finds that person(s) unknown established credit with the store using her name, social security number, address and phone number.

This example should be reported on a General Offense Case Report - CPD-11.380, Primary Box: Financial Identity Theft, Secondary Box: Over \$300, IUCR Code 0840.

In either of the above examples, if the victim is sixty years of age or older or disabled, the Primary Box would be Financial Identity Theft, Secondary Box: Aggravated, IUCR Code 0842.

Note: According to 720 ILCS 5/16-1.3, a "person with a disability" means a person who suffers from a permanent physical or mental impairment resulting from disease, injury, functional disorder or congenital condition that impairs the individual's mental or physical ability to independently manage his or her property or financial resources, or both.

**PRELIMINARY/FOLLOW-UP
INVESTIGATIONS
and ARRESTS**

While conducting investigations members should first consider jurisdiction. Where did the offense take place? If *any part* of the crime occurred in Chicago, continue the investigation. If not, the victim should be advised to contact the police department having jurisdiction regarding the incident.

In cases where the victim's identity was used at a location such as a bank, store, auto dealer, etc., all pertinent identifiers for the witnesses should be obtained.

The relationship of the offender and the victim should be determined. Does the victim actually know the offender? Was authority to use the victim's identifying information ever given to the offender? If it is established that a relationship exists between the victim and the offender, ascertain how the offender acquired the victim's information. The answer to these questions could mean the difference between a criminal and a civil case.

Victims should be advised to secure their credit reports from all three credit bureaus, (Trans Union, Equifax and Experian), and review them for any unauthorized activity.

When an offender is taken into custody, the preliminary investigator should take the following steps:

- >> Thoroughly search the offender looking for any additional I.D.'s, credit cards, receipts, etc., in other names (possible additional victims or offenses).

- >> Attempt to secure an admission from the offender.

EVIDENCE

In cases with no arrest, all documents pertaining to the individual whose identity has been compromised, as well as any documents pertaining to the actual crime, should remain secured with the victim.

In cases where an offender is in custody, the preliminary investigator should obtain originals of all documents involved. Photocopies should be made of all documents for follow-up investigation and court purposes. The originals should be inventoried in accordance with Department directives.

NOTIFICATIONS

Notify the Detective Division where felony charges are being sought or for newsworthy incidents.

Notify the Auto Desk if a vehicle is purchased by means of fraudulent identification.

Advise the victim to notify the Postal Inspectors if any part of the crime involved the use of the U.S. Mail (312)983-7900.

Notify the Chicago office of the U.S. Secret Service at (312)353-5431 or PAX0551 for any losses exceeding \$50,000.00.

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