Financial Identity Fraud and Identity Theft Protection Act

Carri Grube Lybarker
Acting Administrator, SCDCA
This presentation is not meant to serve as a substitute for reading the various laws discussed, seeking legal counsel or otherwise requesting Department guidance and/or interpretations on the laws it administers and enforces. The presentation merely serves as an introduction subject.
Roadmap

- SCDCA Overview
- ID Theft Background
- FIFITPA
- Federal Requirements
- ID Theft Tips: What Victims Should Do
Department Overview

- Consumer Services & Education
- Public Information
- Consumer Advocate
- Administration
- Legal Division

UP NEXT: ID Theft Background
What is Identity Theft?

- Unlawful use of your personal information
- Every 15 minutes, 200 people become victims of Identity Theft

- FTC = $50 billion losses annually

- SC Stats: Consumer Sentinel
  - 2008 - 29th; 2007 - 30th
  - 2006 - 32nd; 2005 - 36th
How Does ID Theft Happen?

- You
- Friends and Family
- Lost or Stolen Wallets or Receipts
- Pre-approval Offers
- Dishonest Employees
  - Skimming
  - Banks/ drs. office
- Hoaxes
  - Pretending to be Bank of America, etc & need personal info
- Internet
  - Phishing for pers’l information
# Consumer Sentinel Network State Complaint Rate

**January 1 – December 31, 2009**

## Fraud & Other Complaints

<table>
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<tr>
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## Identity Theft Complaints

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Identity Theft Complaints Count from South Carolina Victims = 3,070

**Identity Theft Types Reported by South Carolina Victims**

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<th>Rank</th>
<th>Identity Theft Type</th>
<th>Complaints</th>
<th>Percentage&lt;sup&gt;1&lt;/sup&gt;</th>
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<td>505</td>
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<td>Phone or Utilities Fraud</td>
<td>480</td>
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<td>Credit Card Fraud</td>
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<td>4</td>
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<td>364</td>
<td>12%</td>
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<td>Employment-Related Fraud</td>
<td>260</td>
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<td>6</td>
<td>Loan Fraud</td>
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<tr>
<td></td>
<td>Other</td>
<td>766</td>
<td>25%</td>
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<tr>
<td></td>
<td>Attempted Identity Theft</td>
<td>144</td>
<td>5%</td>
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</table>

<sup>1</sup>Percentages are based on the 3,070 victims reporting from South Carolina. Note that CSN identity theft complaints may be coded under multiple theft types.

<sup>2</sup>Includes fraud involving checking and savings accounts and electronic fund transfers.
Identity Theft
Consumer Complaint Data
South Carolina

January 1 - December 31, 2007

Federal Trade Commission
Washington, DC

Note: This report is not based on a survey; the complaint figures presented are derived from self-reported and unverified consumer complaints contained in the FTC's database.
These data are not based on a survey; the complaint figures presented are derived from self-reported and unverified consumer complaints contained in the FTC's database. Per 100,000 unit of population estimates are based on the 2007 U.S. Census population estimates (Table NST-EST2007-01 - Annual Estimates of the Population for the United States and States, and for Puerto Rico: April 1, 2000 to July 1, 2007). Numbers for the District of Columbia are 784 complaints and 133.2 complaints per 100,000 population.
### Figure 4a

**Identity Theft Complaints by State (Per 100,000 Population)**

*January 1 – December 31, 2007*

<table>
<thead>
<tr>
<th>Rank</th>
<th>Consumer State</th>
<th>Complaints Per 100,000 Population</th>
<th>Number of Complaints</th>
<th>Rank</th>
<th>Consumer State</th>
<th>Complaints Per 100,000 Population</th>
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1These data are not based on a survey; the complaint figures presented are derived from self-reported and unverified consumer complaints contained in the FTC's database. Per 100,000 unit of population estimates are based on the 2007 U.S. Census population estimates (Table NST-EST2007-01 - Annual Estimates of the Population for the United States and States, and for Puerto Rico: April 1, 2000 to July 1, 2007). Numbers for the District of Columbia are 784 complaints and 133.2 complaints per 100,000 population.
These data are not based on a survey; the complaint figures presented are derived from self-reported and unverified consumer complaints contained in the FTC's database. Percentages are based on the number of identity theft complaints where consumers reported their age: 2,500 from South Carolina consumers and 231,576 from consumers in all locations. 96% of consumers from South Carolina and 95% of consumers from all locations who contacted the Federal Trade Commission directly reported their age.

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How Victims Discovered ID Theft

1Source: Identity Theft Survey Report conducted by Synovate for the FTC (March-April 2003). Percentages based on respondents who indicated they had been the victim of identity theft within the past five years.
Figure 1
How Consumers’ Information Is Misused¹
January 1 – December 31, 2007

Percentage

South Carolina  All Locations

Credit Card Fraud  21%  23%
Phone or Utilities Fraud  19%  18%
Employment-Related Fraud  10%  14%
Bank Fraud²  15%  13%
Government Documents/Benefits Fraud  14%  11%
Loan Fraud  5%  5%
Other Identity Theft  26%  25%
Attempted Identity Theft  4%  5%

²Includes fraud involving checking and savings accounts and electronic fund transfers.
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<th>STATE</th>
<th>MSA</th>
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<td>Phone/Utilities Fraud</td>
<td>19%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Bank Fraud</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>Gov’t Docs/Benefits Fraud</td>
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<td>14%</td>
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<td>Loan Fraud</td>
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<td>4.7%</td>
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<td>Credit Card Fraud</td>
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<tr>
<td>Gov’t Docs/Benefits Fraud</td>
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<td>14.3%</td>
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<tr>
<td>Employment Related Fraud</td>
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<td>7.9%</td>
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<tr>
<td>Loan Fraud</td>
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<td>7.5%</td>
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<td>Credit Card Fraud</td>
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<td>Phone/Utilities Fraud</td>
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## Identity Theft - STATE V. SPARTANBURG

<table>
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Financial Identity Fraud and Identity Theft Protection Act

- Legislative Background
- Consumer Id Theft Protection
- Social Security Numbers
- Records Disposal
- Security Breach
- Other Protections
Legislative Background

- Bills
- Comprehensive Result: S. 453, Act 190

Current Status
- Effective dates ~ December 31, 2008 & July 1, 2009
Consumer ID Theft Protection
Sections 37-20-110 et seq.

**Important Definitions**

- **Consumer**
  - Individual:
    - Residing in SC
    - Making a transaction for personal, family of household purpose
Important Definitions cont...

- **Consumer Credit Reporting Agency (CRA)**
  - Person
    - who for $$ or dues
    - Regularly assembles OR Evaluates
    - consumer info
    - for the purpose of giving consumer reports to 3rd parties
Consumer ID Theft Protection cont...

Important Definitions cont...

- **Consumer Report**
  - Any communication of information by a CRA
  - Concerning a consumer’s:
    - Creditworthiness,
    - Credit standing
    - Etc.
  - Is used or collected to establish eligibility for:
    - Credit or
    - Insurance or
    - Employment, etc
Consumer ID Theft Protection cont...

- **Security Freeze~**

- **In General**
  - **Freeze** - credit report cannot be accessed without consumer’s permission
  - Available to **ANYONE**
  - Submit request to CRA
    - Certified letter or e-mail
  - CRA must place within 5 days
Consumer ID Theft Protection cont...

Security Freeze cont...

- **Within 10 Days CRA Must:**
  - Send consumer written confirmation of request and
  - Provide a pin or password.
    - *Pin or password is needed to thaw or lift the freeze and may be requested by the reporting agency when you want to get your credit report*
While Freeze in Place CRA Must:

- Notify consumer of personal info changes within 30 days
  - i.e: address, name, social security #

- Notify person requesting a report = frozen
Consumer ID Theft Protection cont...

Security Freeze cont...

- **To Thaw** (temporarily remove freeze)
  - Request via e-mail, fax, telephone, etc.
  - Can be for a specified time or creditor/ requestor
  - CRA must thaw within 15 minutes

- **To Lift**
  - Request via e-mail, telephone, etc
  - CRA must remove within 3 days
Consumer ID Theft Protection cont...

Security Freeze cont...

- It is **FREE** to:
  - Place,
  - Temporarily Lift OR
  - Remove

A Security Freeze!!!
Points to Remember:

- You must contact each of the 3 credit reporting agencies to request the freeze

**Equifax**
- [www.freeze.equifax.com](http://www.freeze.equifax.com)
- 800-685-1111 or TDD 800-255-0056
- P.O. Box 105788, Atlanta, GA 30348

**Experian**
- [www.experian.com/freeze](http://www.experian.com/freeze)
- 888-EXPERIAN (397-3742) or TDD 800-972-0322
- P.O. Box 9554, Allen, TX 75013

**TransUnion**
- [https://annualcreditreport.transunion.com/fa/securityFreeze/landing](https://annualcreditreport.transunion.com/fa/securityFreeze/landing)
- 888-909-8872 or TDD 877-553-7803
- P.O. Box 6790, Fullerton, CA 92834
Points to Remember cont...:

- Getting New Credit
  - The freeze only affects the opening of new accounts, loans, etc.
  - Before you apply for a new loan, credit, etc. you must thaw the freeze (either for the lender or for a specific time)
Right to Dispute - FIFITPA Mirrors FCRA Dispute Provisions

Fair Credit Reporting Act

Consumer Can Dispute:
- Inaccurate, incomplete or untimely items
- To credit reporting agency “CRA” and/or Furnisher (Creditor)

Requirements:
- CRA - Notify furnisher within 5 days
- CRA & Furnisher - Investigate (unless frivolous)
- CRA & Furnisher - Note File= in dispute
- If no resolution in 30 days, CRA must remove info

Resolution
- Notify consumer within 5 days
- 100 word dispute
Reporting Periods - FCRA

- Bankruptcy
  - 10 years

- Civil Lawsuit or Judgment
  - 7 years or statute of limitations (longer)

- Paid Tax Lien
  - 7 years

- Accounts Placed in Collection OR Charged Off
  - 7 years (clock begins 180 days after delinquency)

- Other Adverse Info
  - 7 years
Right to Dispute - FIFITPA Additions

- If CRA DENIES inaccuracy MUST:
  - Give basis;
  - Send copy of file, including which creditors were contacts;
  - Give evidence that info is accurate

- If CRA ADMITS inaccuracy MUST:
  - Contact creditors/requestors from the last six months
Consumer ID Theft Protection cont...

- Right to Dispute cont...
  - Private Cause of Action
  - Department of Consumer Affairs to Enforce
    - Complaints
      - 1-800-922-1594
      - www.scconsumer.gov “Complaint Services”
  - Pattern or Practice

UP NEXT: Social Security Numbers
Among other prohibitions, a public body or a business may not:

- Make available to the public a person’s social security number or six or more digits of the number;

- Intentionally print or imbed a person’s social security number or six or more digits of the number on a card required for access to a product or service;

- Require a person to transmit a social security number or six or more digits of the number over the internet UNLESS there is a (1) secure connection or (2) the number in encrypted.
Social Security Numbers cont...

- Require a person to use his/her social security number or six or more digits of the number to access the web unless a password is also required;

- Print a person’s social security number or six or more digits of the number on materials mailed to that person UNLESS state or federal law requires it;

- May not collect a person’s social security number or six or more digits of the number UNLESS the body is (1) authorized by law or (2) the collection is imperative to the body performing its duties and responsibilities;
Social Security Numbers cont…

- When collecting a person’s social security number or six or more digits of the number, must separate the number from the rest of the record, or as otherwise appropriate, so the number can be easily redacted pursuant to a FOIA request;

- At a person’s request, must give a statement of purpose for collecting the person’s social security number or six or more digits of the number and how it will be used.
Social Security Numbers cont…

- **Exceptions:**
  - SS # is included in an application. (*Still cannot be on a postcard or visible on or thru an envelope.*)
  - Opening of an account or payment for a product or service authorized by the consumer.
  - Person providing the SS# to a governmental authority.

**UP NEXT: Records Disposal**
Definitions  Effective 12-31-2008

**Personal Identifying Information (PII)**

- Consumer’s 1st name or 1st initial
- + last name
- +unencrypted or unredacted:
  - Social security #, or
  - Driver’s License #, or
  - Financial account #, credit card, debit card + security code, or
  - Other #s or information to get access to financial accounts
Records Disposal cont...

- Definitions cont...
  - **Business**
    - Person conducting business in this State
  - **Disposal**
    - discarding records that contain *personal identifying information* OR
    - the sale, etc of anything containing
Records Disposal cont...

- **Disposal of Records**
  - **Hardware & Storage Media**
    - B4 transfer or disposal must:
      1. Remove pers’l & confdt’l information
  
- **Record**
  - If PII involved, B4 disposal:
    1. Shred, erase the PII to make unreadable or undecipherable

*Can hire a 3rd party to dispose of records= ok if compliant*
Records Disposal cont…

- **Penalties**
  - **Civil Action**
    - Department
    - Consumer
      - 3x actual damages/ limit $1,000 + attorneys fees
      - Injunction
  - **Administrative Action**
    - Injunctions
    - Fines

UP NEXT: Security Breaches
Security Breach~ Effective 7-1-2009

 Definitions~

 ○ Security Breach
   - Unauthorized access to AND
   - Acquisition of:
     - Records/ data containing PII
     - Illegal use has or is likely to occur

 ○ Breach of the Security of the System
   - Unauthorized access to AND
   - Acquisition of:
     - Computerized data (where PII isn’t encrypted, redacted, etc)
     - Illegal use has or is likely to occur
Applies to:
- Persons conducting business in this State

Notification ~ Section 1-11-490
- To Consumer When:
  - Computerized or other data
  - containing PII that was not encrypted or redacted
  - Was, or is reasonably believed, to have been acquired by an unauthorized person
  - When illegal use of the PII occurred, is likely to occur or material risk to person
Notification cont...~

Must be Made:

- Without delay
- BY:
  - Written notice
  - Electronic notice (if primary method)
  - Telephone notice;
  - Substitute Notice: $250k or 500,000 persons
    - E-mail notice;
    - Webpage notice;
    - Notify statewide media
## Sample Security Breach Notification Letter

**Date**

Organization’s Name and Address  
Affected Person’s Name and Address

**Dear (Person’s Name):**

I am writing to inform you that our organization experienced *(or discovered)* a security breach on or about *(date of breach or when breach was discovered)*. Unfortunately this has resulted in unauthorized access to your personal identifying information, specifically your *(identify information that was or is reasonably believed to have been acquired)*.

*(Organization Name)* is taking this matter very seriously and has *(describe steps taken to prevent further harm or access to the person’s personal identifying information and indicate whether or not law enforcement and/or the Department of Consumer Affairs was notified of the breach)*. **If you have any questions about this notice, please contact *(name of contact person)* at *(contact’s telephone number)*. **You may also contact the South Carolina Department of Consumer Affairs at 1-800-922-1594** for information on steps you can take to defend yourself against identity theft.

Sincerely,
Security Breach cont...

Notification cont...~

- **To the Department When:**
  - > 1,000 persons affect @ 1 time
  - Must also notify national consumer reporting agencies

- **Notice Must Include:**
  - Timing,
  - Distribution, and
  - Content of Notice

Mail To:

Legal Division
RE: Security Breach Notification
South Carolina Department of Consumer Affairs
P.O. Box 5757
Columbia, SC 29250
Security Breach cont...

- **Penalties:**
  - Private Cause of Action
    - Damages,
    - Injunction, and
    - Attorney’s fees
  - Administrative Fines
    - Willful violation
    - Up to $1,000 per affected person
Other Protections

- Unlawful to “dumpster dive”
  - Misdemeanor
  - Felony (intentional)

- Creates crime of “Financial identity fraud”
  - Felony (intentional)

- Credit Card Receipts
  - Mirrors Federal Law
    - Business may only print 5 or less digits of a credit/debit card # on consumer’s receipts
      - (doesn’t apply to handheld/imprinting)
Credit Cards

- Businesses that mail offers to receive a seller or lender credit card must **verify a change of address** if the application returned states an address that is substantially different from the address on the offer.

- A seller/lender credit card issuer is **prohibited from mailing out additional credit cards** to a new address if the card is requested within 30 days of the address change, unless the change of address is verified by the issuer.
South Carolina consumers continue to report and be at risk for Economic recovery and Stimulus scams. (More)

The Department of Consumer Affairs provides consumers a few important reminders about joining a fitness club in 2009. (More)

Consumer Agency Issues Savvy Consumer “Commandments” for 2009
When most New Year’s resolutions are already falling by the wayside, the South Carolina Department of Consumer Affairs would like to see consumers adopt some good consumer practices for 2009. (More)

SCDCA Announces Guidelines for 2009 Consumer Spirit Awards Program
The South Carolina Department of Consumer Affairs is now accepting nominations for the 2009 Consumer Spirit Awards. The Awards are presented annually to recognize individuals and organizations that empower South Carolinians through consumer protection and education initiatives. All individuals, organizations, and businesses are encouraged to participate. Nomination forms are available online. (More)
IDENTITY THEFT INFORMATION

- Presentations
  - Financial Identity Fraud and Identity Theft Protection Act (PDF)
  - Identity Theft & Data Security (PDF)
  - South Carolina’s New Privacy Law (PDF)
  - Responding to Data Security Breaches (PDF)
  - Incident Response Security Breaches (PDF)

- Handouts
  - SCDCA- Identity Theft & The Law (PDF)
  - FTC Safeguards Rule (PDF)
  - FTC Information Compromise (PDF)

- For Consumers
  - FIFITPA Brochure (PDF)

- Other Important Information
  - Financial Identity Fraud and Identity Theft Protection Act
  - OCC Guidelines (PDF)
  - FTC Disposal Rule (PDF)
  - DSIT Information Security Policy (PDF)
  - DSIT- Hardware Sanitation Policy (PDF)
  - DSIT Incident Management Policy (PDF)
Federal Requirements

- Fair Credit Reporting Act ("FCRA")
- Disposal Rule (FCRA)
- Financial Privacy Rule (Gramm-Leach-Bliley Act ("GLB"))
- Safeguards Rule (GLB)
- Red Flags Rule (FCRA – FACTA)
Federal Requirements cont...

- History
  - Original Eff. Date = 1971
    - Amended at least 6 times since
  - Most recent major:
    - Fair and Accurate Credit Transactions Act of 2003 (FACTA)

- Purpose
  - Promote accuracy & fairness in credit reporting arena
    - Places requirements on:
      - credit reporting agencies
      - Furnishers of information
    - Provides consumer protections
Federal Requirements cont...

- **FCRA – What is it?**
  - Accuracy and fairness in credit reporting (more later)
  - Free annual credit reports

- **Identity Theft Protections**
  - Fraud Alerts
  - Blocking of Information
  - Disposal Rule
  - Red Flags Rule
Federal Requirements cont...

Definitions: 15 U.S.C. 1681a

- **Consumer report:**
  - Any communication of information by a credit reporting agency
  - Contains info on a consumer’s
    - Credit worthiness
    - Credit standing
    - Character
    - General reputation
    - etc
  - Info is used or collected as a factor in deciding if a consumer is eligible for:
    - Credit, insurance, employment, etc
Definitions cont…: 15 U.S.C. 1681a

Consumer reporting agency:

- Person
- Regularly engages in:
  - assembling or evaluating consumer information, including credit information
- For purpose of distributing consumer reports to 3rd parties
- Uses interstate commerce in preparation or distribution
Federal Requirements cont...

ID Theft Protections:
- **Alerts** - 15 U.S.C. 1681c-1
  - Fraud Alert
    - Notice that = victim of ID Theft
    - Once call, that’s all
    - Types
      - Initial ~
        - 90 days/ 1 free credit report from each
        - No proof necessary
      - Extended ~
        - 7 years/ 2 free credit reports from each w/in 12 mths of placement
        - File ID Theft Report/Affidavit
Federal Requirements cont...

- Fraud Alert cont…
  - Effects
    - Business= Extra Steps
    - 5 year removal from pre-screened offers

- Active Duty Alert
  - Active military consumer
  - 1 year- can renew
  - Effects
    - Business= Extra Steps
    - 2 year removal from pre-screened offers Removal from pre-screened offers
Federal Requirements cont...

- ID Theft Protections cont…:
    - Result of ID Theft
    - Consumer provides:
      - Proof of id
      - Copy of id theft report
      - Id information
      - Statement that consumer didn’t enter into the transaction reported
    - CRA to notify furnisher of block
Federal Requirements cont...

- ID Theft Protections cont…:
  - **Creditor Responsibilities-** 15 U.S.C.§ 1681g
    - Creditor must provide information regarding transactions victim of ID theft claims are related to ID Theft w/in 30 days of consumer request (FREE OF CHARGE)
    - Consumer request=:
      - In writing;
      - Send proof of id;
      - Proof of id theft;
      - Date of transaction, if known;
      - Account number;
Federal Requirements cont...

ID Theft Protections cont…:

- **Proactive Measures**
  - *Free Annual Credit Report* ~ 15 U.S.C. § 1681g(a)
    - 1 from each of CRAs every 12 mths
    - [www.annualcreditreport.com](http://www.annualcreditreport.com)
    - 877-322-8228

Also get free report if:
  - Denied Employment
  - Denied Credit
  - Unemployed, about to look for job
Federal Requirements cont...

Proactive Measures cont..

Credit Card Truncation ~ 15 U.S.C. § 1681c

• Shall not print:
  • >5 numbers of the card OR
  • Expiration date on any receipt

**Doesn’t apply to handwritten or imprint/ card copy receipts

Rules

• Disposal Rule
• Red Flags Rule
Disposal Rule

- Requires proper disposal of sensitive information derived from consumer reports.

Who?
- Any person who uses a consumer report for business purposes, ie: lenders, insurers, employers, landlords, mortgage brokers and debt collectors.

How?
- Burn, pulverize, shred
- Destroy or erase electronic data
- Due diligence in selecting and monitoring contractors.
Federal Requirements cont...

- Red Flag Rule (FACTA)
  - Requires financial institutions and creditors* to develop a **written program** that identifies and detects relevant warning signs ("Red Flags") of Identity Theft.

  - **Program must include** policies and procedures that enable a financial institution or creditor to:
    - Identify relevant patterns, practices, and specific forms of activity that are "red flags" signaling possible id theft;
    - Detect red flags that have been incorporated into the Program;
    - Respond appropriately to any red flags; and
    - Ensure the Program is updated periodically to reflect changes in risks from id theft.
Red Flag Rule (FACTA)

Who?
- state or national bank, S & L, Credit Union that holds a deposit account or an account where the consumer makes transfers,
- entity that regularly extends, renews, or continues credit. Includes finance companies, auto dealers, mortgage brokers, utility companies, and telecommunication companies.

How?
- FTC, Banking Agencies, and NCUA have published Guidelines suggesting 26 possible red flags.
Examples

- Alerts or warnings from a consumer reporting agency.
- Suspicious documents.
- Suspicious personal identifying information.
- Unusual use of or activity in a covered account.
- Notices from customers, IDT victims, law enforcement or other businesses.
Penalties: 15 U.S.C 1681n&o

- **Civil Liability**
  - Willful,
  - Knowing or
  - Negligent noncompliance

- **Administrative Enforcement**: 15 U.S.C 1681s
  - Federal Trade Commission
    - Primary enforcer
  - State Action
    - FTC 1st right to refuse
Federal Requirements cont...

Gramm-Leach-Bliley Act

- What is it?
  - opening up competition among banks, securities companies and insurance companies
  - Privacy Protections

- Financial Privacy Rule (Gramm-Leach-Bliley Act)

- Safeguards Rule (Gramm-Leach-Bliley Act)
  - Apply to financial institutions*

*CAUTION~ Definition very BROAD
Financial Institutions: all businesses, regardless of size, that are “significantly engaged” in providing financial products or services.

Examples include:
- auto dealers,
- mortgage brokers,
- credit counselors,
- realtors,
- tax preparers, &
- courier services.
Federal Requirements cont...

- **Financial Privacy Rule (Gramm-Leach-Bliley Act)**
  - protects a consumer's "nonpublic personal information" (NPI)
    - **NPI Is:**
      - any "personally identifiable financial information" that a financial institution collects about an individual in connection with providing a financial product or service, unless that information is otherwise "publicly available."
Financial Privacy Rule (Gramm-Leach-Bliley Act) cont...

- All customers must be given a privacy notice. You must provide an "initial notice" by the time the customer relationship is established.

  Notice Must Include description of:
  - how you collect, disclose, and protect NPI about consumers and customers, including former customers.

- If you share NPI with nonaffiliated third parties, you also must give your customers opportunity to opt-out (exemption do apply)
Safeguards Rule (Gramm-Leach-Bliley Act)

- Requires financial institutions* to develop and implement safeguards to protect customer information.

Companies must:

- Develop a written information security plan
- Designate employee(s) to coordinate safeguards
- Identify and assess risks to customer information
- Design and implement a safeguards program (regularly monitor, test, and update it)
- Oversee service providers
Federal Requirements cont...

- Safeguards Rule (Gramm-Leach-Bliley Act) cont...
  - **Financial Institutions:** all businesses, regardless of size, that are “significantly engaged” in providing financial products or services.
  - **Examples include** auto dealers, mortgage brokers, realtors, tax preparers, & courier services.

UP NEXT: ID Theft Tips
What Should You Do If You’re A Victim?

- Immediate Action
  - Step One:
    - Fraud Alert *(different from security freeze)*
      - Contact 1- they call the others
      - 90 days- can extend to 7 years if victim & fill out ID Theft Report
      - Free reports (1 from each/ 2 from each)

- Creditors must contact you b4 issuing credit
What Should You Do If You’re A Victim? Cont..

Step Two:
- Affected Accounts
  - Close
    - Via Phone, then mail, certified, return receipt
  - Obtain PINs
    - New accounts- use new PINS and passwords
- Dispute Fraudulent Charges/ Accounts
  - Ask for fraud dispute form from creditor
  - If new account opened in your name, ask if accept fraud affidavit
  - GET A LETTER THAT DISPUTE HAS BEEN CLEARED UP FROM CREDITOR!!
- Special Circumstances for Checks
  - Notify bank of forgery
  - Ask bank to notify check verification service
Step Three:
- Report to the Police
  - File Police Report & get copy

Step Four:
- File a Complaint with the Federal Trade Commission
  - Information sharing to track thieves
  - [www.ftc.gov](http://www.ftc.gov)  
  - [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)  
  - 1-877-IDTHEFT

What Should You Do If You’re A Victim? Cont..
Wrap Up

Points to Remember:

- If you believe you are a victim of ID Theft:
  - Can place a FREEZE (State Law) on your report
  - Can also place FRAUD ALERT (Federal Law) on your report
    - Contact 1- they call the others
    - 90 days- can extend to 7 years if victim & fill out ID Theft Report
    - Free reports (1 from each/ 2 from each)
    - Creditors must contact you b4 issuing credit