

# Identity Crime

Identity theft is one of the fastest growing crimes in the United States, and is costly to both individuals and businesses.

- ▶ An estimated 8 million Americans were the victims of identity crime in 2007.<sup>1</sup>
- ▶ For the eighth year in a row, identity theft was the number one consumer complaint received by the Federal Trade Commission in 2007.<sup>2</sup>
- ▶ In 2008, there were 656 paper and electronic security breaches of consumers' personal identifying and financial information held in government and business databases, potentially affecting more than 35 million records.<sup>3</sup>
- ▶ In 2007, thieves were able to obtain \$45 billion from identity crime nationwide, with an average of \$5,574 per incident. The total out-of-pocket expense incurred by individual victims averaged \$691 per person.<sup>4</sup>



States have passed legislation to target offenders and assist victims in recovery.

- ▶ Thirty-seven states classify identity theft as a felony. In the other 13 states, plus Washington, D.C., the crime may be either a misdemeanor or a felony, depending on the dollar amount lost due to the crime.
- ▶ Currently 26 states and Washington, D.C. require law enforcement to take a police report from people who reside in their jurisdiction who believe they are the victims of identity theft, even if the jurisdiction for investigation and prosecution is elsewhere. Police reports are a key component of the recovery process for victims, as creditors, banks and credit reporting agencies often require a police report to verify the crime.
- ▶ Forty-eight states—all but Alabama and Michigan—have passed laws to allow consumers to place freezes on their credit reports, blocking new accounts from being opened by others. Freezes prevent anyone from looking at the report for the purpose of granting credit unless the consumer chooses to allow a particular business. Laws in Arkansas, Kansas and Mississippi limit freezes to identity theft victims.
- ▶ Forty-four states plus Washington, D.C. have laws requiring specified entities that collect and maintain electronic records containing personal identifying information to notify consumers when that information is compromised during a security breach. Twelve states plus Washington, D.C., require only businesses operating in the state to provide such notifications, while 32 states require both government agencies and businesses to notify consumers of security breaches.
- ▶ Eleven states offer identity theft passports to victims, which certify that the holder has been a victim of identity crime. They can be presented to law enforcement to help prevent arrest or detention for an offense committed by another person or to a creditor to aid in the investigation of fraudulent accounts or charges.
- ▶ Seventeen states prohibit phishing, in which a scammer impersonates a trusted company, such as a bank, in an electronic communication to trick a consumer into revealing personal or financial information.

<sup>1</sup> Javelin Strategy and Research. "2008 Identity Fraud Survey Report." February 2008. Available from <http://www.javelinstrategy.com/research/2>.

<sup>2</sup> Federal Trade Commission. "Consumer Fraud and Identity Theft Complaint Data, January to December 2007." Accessed from <http://www.consumer.gov/sentinel/pubs/top10fraud2007.pdf> on October 29, 2008.

<sup>3</sup> Identity Theft Resource Center. "2008 Breach List." Accessed from [http://www.idtheftcenter.org/artman2/publish/lib\\_survey/ITRC\\_2008\\_Breach\\_List.shtml](http://www.idtheftcenter.org/artman2/publish/lib_survey/ITRC_2008_Breach_List.shtml). Accessed on January 8, 2008.

<sup>4</sup> Javelin Strategy and Research. "2008 Identity Fraud Survey Report." February 2008. Available from <http://www.javelinstrategy.com/research/2>.

<sup>5</sup> Source: Federal Trade Commission, "Consumer Fraud and Identity Theft Complaint Data; January - December 2007."

<sup>6</sup> (B) security breach law applies to businesses only; (BG) businesses and government agencies.

# IDENTITY THEFT LAWS

State	State Rank By Complaints Per 100,000 Population (2007) <sup>5</sup>	Offense Level	Mandatory Police Reports	Security Breach <sup>6</sup>	ID Theft Passport	Phishing
Alabama	18	Felony				
Alaska	39	Felony	√ (7/1/09)	√		
Arizona	1	Felony	√	√		√
Arkansas	34	Felony	√	√	√	√
California	3	Misdemeanor or Felony	√	√		√
Colorado	9	Felony	√	√ (B)		
Connecticut	20	Felony	√	√ (B)		
Delaware	17	Felony	√	√ (B)	√	
District of Columbia	2	Felony over \$250	√	√ (B)		
Florida	6	Felony		√ (B)		
Georgia	8	Felony	√	√ (BG)		√
Hawaii	40	Felony		√ (BG)		
Idaho	37	Felony		√ (BG)		
Illinois	12	Felony	√	√ (BG)		√
Indiana	27	Felony		√ (BG)		
Iowa	49	Felony over \$1000	√	√ (BG)	√	
Kansas	30	Non-person felony		√ (BG)		
Kentucky	43	Felony				
Louisiana	29	Felony over \$300	√	√ (BG)		√
Maine	46	Felony	√	√ (BG)		
Maryland	11	Felony over \$500	√	√ (B)	√	
Massachusetts	24	Felony	√	√ (BG)		
Michigan	16	Felony	√	√ (BG)		
Minnesota	36	Felony over \$500	√	√ (B)		√
Mississippi	33	Felony over \$250			√	
Missouri	22	Felony over \$500	√			
Montana	45	Felony over \$1000		√ (B)	√	√
Nebraska	41	Felony over \$500		√ (BG)		
Nevada	4	Felony		√ (BG)	√	
New Hampshire	38	Felony	√	√ (B)		
New Jersey	13	Felony	√	√ (BG)		
New Mexico	10	Felony				√
New York	7	Felony over \$500	√	√ (BG)		√
North Carolina	23	Felony	√	√ (BG)		
North Dakota	51	Felony	√	√ (B)		√
Ohio	28	Felony		√ (BG)	√	
Oklahoma	26	Felony		√ (BG)	√	√
Oregon	21	Felony	√	√ (BG)		
Pennsylvania	15	Felony over \$2000		√ (BG)		
Rhode Island	35	Felony		√ (BG)		
South Carolina	31	Felony	√	√ (BG)		
South Dakota	50	Felony				
Tennessee	25	Felony		√ (BG)	√	√
Texas	5	Felony	√	√ (B)		√
Utah	32	Felony		√ (B)		√
Vermont	48	Felony	√	√ (BG)		
Virginia	19	Felony over \$200		√ (BG)	√	√
Washington	14	Felony	√	√ (BG)		√
West Virginia	47	Felony		√ (BG)		
Wisconsin	42	Felony	√	√ (BG)		
Wyoming	44	Felony over \$1000		√ (B)		