

Special Report to Consumers:

PROTECT YOURSELF

From Identity Theft

Dear Friends:

Picture this scenario: After a long, hard day working to make ends meet, you come home and sit down to one of your least favorite activities — paying the bills. You open your credit card statement and find that you have apparently purchased a big-screen TV, a stereo system large enough for the dance club down the block, and a 12-piece dining room set that certainly won't fit in your eat-in kitchen.

If you're like me, the first thing you would do is call your credit card company. And then, sadly, you might find out that you have become the victim of the fastest growing crime in the United States: Identity Theft. A criminal has obtained personal information about you and, posing as you, has gone on a huge shopping spree with your credit card — all without your knowledge or authorization.

Since the 1990s, identity theft has become more prevalent both in New York State and across the country, leading to serious financial problems and great anxiety for its victims. I have prepared this brochure to help you learn more about identity theft: how these thieves operate, how you can protect yourself, and what you can do if you become a victim. In addition, I have included some information about the law that punishes identity thieves operating in New York State.

I hope you find this information useful, and that it will help you safeguard your good name and finances from identity thieves. As always, if I can assist you in any way, please don't hesitate to contact me.

Sincerely,



Senator Darrel J. Aubertine
48th Senatorial District

Identity Theft: Protect Yourself!

Over the last decade, a relatively new crime known as "Identity Theft" has been causing ever-increasing problems for many people across the United States. Identity theft occurs when someone obtains personal information about you — such as your Social Security number, credit card, or bank account numbers — and uses it to obtain credit cards, clear out your checking account, or otherwise illegally conduct business in your name.

While you may not be able to completely protect yourself against identity theft, there are ways to minimize your risk. Learn how identity thieves operate, and make a conscious effort to safeguard your personal information. Below are some tips that may help you understand identity theft and protect yourself against it.



Identity Theft Insurance:

What is it? Reimbursement insurance to cover certain costs associated with repairing your credit such as legal fees, lost wages, long distance phone calls, etc.

How do you get it? You can obtain identity theft insurance through your homeowner's insurance, as a separate policy, or through your credit card company. Contact your local insurance agent or credit card company for more information.

Q. How do identity thieves get personal information about their victims?

To obtain information, thieves can:

- ◆ Steal your wallet or purse to obtain credit cards and other personal information, or steal mail out of your mailbox;
- ◆ Rummage through your trash at home or at work looking for bank statements, credit card bills, or other correspondence containing personal information;
- ◆ Obtain personal credit reports by posing as landlords, employers or others who might need this information about you or have a legal right to obtain it;
- ◆ Use personal information you share on the Internet; or
- ◆ Pay off “inside sources” — such as unscrupulous store employees — to get copies of any applications you submit for goods, services or credit.

Q. How do identity thieves use this information?

Identity thieves may:

- ◆ Open up new credit card accounts, bank accounts, auto loans, or telephone service accounts in your name, and then write bad checks and/or refuse to pay the bills;
- ◆ Contact your credit card company, posing as you, and change the mailing address for your bills — so you might not immediately notice any problems with your statement;
- ◆ Use your Social Security number to work or apply for a job.

Sometimes, to add insult to injury, identity thieves may even file for bankruptcy in your name to avoid paying debts that they've incurred on your behalf.

Q. How can I protect myself?

There are a number of steps you can take. For example:

- ◆ Don't give out personal information without asking how it will be used and whether it will be given to others. Ask if you can keep the information confidential.
- ◆ Pay close attention to your billing cycles, and contact your creditors if your statements don't arrive on time. A pattern of missing statements could mean that an identity thief has changed the mailing address for your account.

- ◆ Promptly remove incoming correspondence from your mailbox and use post office collection boxes or your local post office for outgoing mail. If you are going away, call your post office to put a hold on your mail.

- ◆ Don't give out personal information by phone, mail, or over the Internet unless you initiate the contact or know who you're dealing with. For example, if someone claiming to be from your bank calls to “update” your account information, don't answer the questions. Call your bank yourself and find out if the inquiry is legitimate.

- ◆ Shred or otherwise completely destroy charge card receipts, outdated credit cards, insurance forms, medical statements, banking information, credit offers, and other statements containing personal information before you throw them away.

- ◆ Only give out your Social Security number (SSN) when absolutely



necessary. If asked for it, find out if you can provide some other form of identification. Ask why your SSN is needed, how it will be used, what law requires you to provide it, and what will happen if you refuse to disclose it. (Your employer and financial institutions will need your SSN for wage and tax reporting purposes. Some private businesses may ask for it in order to perform a credit check, and some may refuse to provide services if you do not disclose your SSN. It's up to you to decide whether to share it.)

- ◆ Every year, order copies of your credit report from the three major credit reporting agencies listed opposite this page, and review them carefully to ensure that the records are accurate and don't include any unauthorized transactions. (Note: credit bureaus can charge up to \$9 for a copy of your credit report.)

Q. What should I do if I become a victim of identity theft?

- ◆ Contact the fraud departments of the three major credit bureaus and have a "fraud alert" placed in your file. Also include a victim's statement in your file to ensure that creditors call you before changing your existing accounts or opening new ones. Ask for a copy of your credit report; you will not be charged if fraud is involved.
- ◆ Contact creditors about any accounts that may have been tampered with and alert them to accounts opened without your authorization. Speak to someone in the security or fraud department, and follow up the conversation with a letter. Close accounts that have been tampered with, and open new ones with different passwords and personal identification numbers (PINs).
- ◆ File a report with your local police or in the community where the theft took place. Get a copy of the police report; you may need it when dealing with creditors.

Depending on the nature of the identity theft, you may need to take other steps. For example, if you believe your mail has been stolen, report it to the local postal inspector. If you think an identity thief is using your Social Security number to work or apply for a job, you should report that crime to the Social Security Administration Fraud Hotline at 1-800-269-0271.

Q. Who can I contact for help and information about identity theft?

There are a number of resources to help consumers learn more about identity theft and what they need to do if they've been victimized. For example:

- ◆ Contact the Office of the New York State Attorney General's Consumer Helpline at 1-800-771-7755, or visit

the website at www.oag.state.ny.us. The "Identity Theft" section is under "Consumer Issues" on the home page.

- ◆ Visit the U.S. Federal Trade Commission (FTC) website at www.ftc.gov. The "Identity Theft" section is under "Consumers."
- ◆ The Federal Trade Commission has also established a toll-free hotline: 1 877-IDTHEFT (1-877-438-4338). Victims may call to obtain information and file identity theft complaints. The FTC cannot bring criminal cases against identity thieves, but the agency can provide information to help victims resolve financial and other problems that result from this crime.

The TDD number for the hearing impaired is 1-866-653-4261.

Take Me Off Your List!

Personal information provided to businesses and direct marketing groups is used to process your order. But it may also be used to create a personal profile about you for future promotions, or it may be shared with others.

More and more companies are giving consumers the choice of not having their information shared. Contact your creditors and ask about their policy on sharing your personal information with others. To have your name removed from lists used for marketing and promotional purposes, you can also:

- ◆ Call 1-888-5-OPTOUT (1-888-567-8688). Ask that pre-screened credit offers (which can be used to obtain credit in your name) no longer be mailed to you.
- ◆ Write to the Direct Marketing Association, PO Box 643, Carmel, NY 10512. DMA's Mail, E-Mail, and Telephone Preference Services allow people to opt out of direct mail marketing, e-mail marketing, and/or telemarketing activities undertaken by many national companies. By getting your name off these lists, these companies won't be able to provide your information to other companies. You can also visit www.the-dma.org (under "For Consumers") for more information or to remove your name from marketing lists.
- ◆ Contact the National Do Not Call Registry operated by the Federal Trade Commission. To have your phone number removed from telemarketing lists, call 1-888-382-1222 (TTY 1-866-290-4236), or register online at www.consumer.state.ny.us.

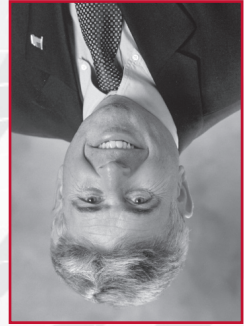


Darrel J. Aubertine

State Senator

Protecting Yourself from Identity Theft

Special Report to Consumers:



New York State Identity Theft Law



Identity theft, America's fastest-growing crime, is a violation of privacy that can have terrible consequences for unsuspecting victims. It is truly the dark side of the electronic age.

In 2003, more than 246,000 Americans filed identity theft claims, losing hundreds of millions of dollars. The actual number of identity theft victims and their total losses are impossible to pin down, because many are unaware that they have been victimized. Also, law enforcement agencies may classify ID theft differently, including credit card fraud, Internet fraud, and mail theft.

Due to the availability of information in computer databases, increased use of credit, debit and ATM cards, and the growth of Internet commerce, identity theft has become the number one financial and consumer crime of the information age. The financial industry is losing billions of dollars a year, and individuals are losing their good financial standing and credit ratings.

That's why in 2002, the New York State Legislature created the crimes of identity theft and unlawful possession of personal identification.

This innovative legislation has classified three new crimes of identity theft. The use of another individual's personal identifying information to obtain goods or services of any value or for the purpose of committing a crime is now a class A misdemeanor. If the value of the goods or services obtained exceeds five hundred dollars, the offense is a class E felony, and when the value exceeds two thousand dollars it becomes a class D felony.

The law also creates three new possession crimes. Knowingly possessing the information of another person with the intent to use it for a crime is a class A misdemeanor. The possession offense becomes a class E felony when 250 or more items are possessed, and a class D felony if the person supervises other individuals or has a prior conviction for the same or similar offense.

This legislation also provides important protection for victims, including allowing a court to order restitution to a person who has suffered "out-of-pocket losses" as a result of an identity theft crime.

These recently created violations do not apply to situations where a person under 21 attempts to purchase alcohol using false identification, or where a person under 18 uses false identification to purchase cigarettes. While these practices are already illegal, they do not fit within the identity theft law.

As a result of this law, prosecutors now have the tools to go after identity thieves before they cause irreparable harm to victims and destroy their credit reputation.