



IDENTITY THEFT: Identity Theft & Children

Written by: Linda Foley, Identity Theft Resource Center Executive Director and Charles Nelson, Ph.D., Family Treatment Institute, San Diego CA

Resource Material of: www.idtheftcenter.org

Email: itrc@idtheftcenter.org

Copyright: Identity Theft Resource Center, Inc., August 2003

All rights reserved.

The text of this copyrighted document may not be altered without express authorization of the Identity Theft Resource Center. This fact sheet should not be used in place of psychological or legal advice.

Child Identity Theft occurs when a child's identity is used by another person for the imposter's personal gain. The perpetrator may be a family member or someone known by the family. It could also be a stranger who purposely targets children because of the lengthy time between the theft of the information and the discovery of the crime.

There are some cases that appear to be identity theft but are not. Receiving a pre-approved credit card offer in your child's name might upset you as a parent. However, it might only be an innocent marketing tool sent by an affiliate of your bank because you opened a college fund for your child. A quick check of credit reports will help you sort out the truth. Currently, all three reporting agencies are automated systems. You should call them (numbers at end) and request a credit report for your child. If you are told that there is no credit report, this is probably not a case of financial identity theft.

Please be aware that this guide is a work-in-progress, as this specific crime has not yet been well documented. Additionally, as with most identity theft cases, each situation is unique and each person faces a slightly different set of circumstances. Many of the choices you will make will depend on your personal preferences and needs. Each case that ITRC works on also helps us to clarify this misunderstood and relatively underreported crime.

In some of the topic areas we will be dividing the discussion by victim types. They are:

- Adults who found out that their identity was stolen as a child (adult/child victims)
- Children who have a relative who finds out about the crime (child victims)

ABOUT THIS CRIME:

Typically identity theft falls into three categories:

- **Financial identity theft:** This most commonly occurs when the Social Security number (SSN) and name is used to establish new lines of credit. What most people do not understand is that credit issuers may not have a way to verify the age of the applicant. The information on the application is typically taken at face value. This is particularly true in telephone and Internet applications. In person, few credit issuers request proof of identity, a driver's license for instance. Even then, many clerks have not been trained on how to recognize counterfeited or altered licenses. For these reasons and others, issuers often will not know the true age of the applicant. This is a fault within our system that needs to be rectified.

A second mistaken concept is that the credit reporting agencies (CRAs) know that this application must be fraudulent because the applicant is a minor. Unfortunately, there is little, if any, sharing of information about the age of a person with Equifax, TransUnion and Experian. The age of the applicant becomes "official" with the first credit application. Therefore, if the first application indicates that the applicant is 24, the credit agencies believe that person is 24 until a dispute is filed and proven.

- **Criminal identity theft:** This typically occurs when a person "borrows" the information of the minor to get a driver's license. This person may be an illegal immigrant who bought the information or a relative who has had a license suspended or revoked.
- **Identity Cloning:** Most frequently, profilers have people in positions where they are able to collect information about minors and then sell it on the black market. The most frequent purchasers of this information, in our experience, are illegal immigrants or people who are trying to "restart" their lives and avoid arrest. It is also an open door to terrorists.

Clones might also take advantage of the death of an infant or child. They go back into old newspaper records or death certificates (often found on the Internet) and find a person who would match the current imposter's age. Then either counterfeit documents are made up or legitimate birth certificates are purchased through normal channels. Unfortunately, when a person dies, few, if any, county recorders then mark birth certificates as "deceased." This allows thieves to purchase birth certificates of a person who has died and use it for identity theft. The ease in purchasing birth certificates depends on state laws. You should make sure your state is a "closed access" state, meaning that a limited number of people are allowed access to this information. For details on "Identity Theft and the Deceased" please go to the ITRC information guide on that topic.



MOMENT OF DISCOVERY:

Adult/Child Victims: These victims typically find out in the same manner as adult victims of identity theft. They:

- Are denied credit, mortgage or loan for a vehicle or college tuition
- Are unable to open a bank or checking account
- Receive collection notices in the mail or by telephone
- Are denied tenancy, utility or phone service
- Are denied driver's license renewal
- Are discharged from a job or continually and unexplainably denied employment
- Are quoted higher than normal insurance rates
- Have been receiving bills or credit cards they never requested, perhaps for years
- Are notified by a law enforcement agency investigating a large case in which they happen to be a part of
- Are arrested for an activity they never committed
- Are denied SSI or welfare services

Child Victims: Parents or relatives are usually the first to notice something is not quite right. Some of these cases involve split families (one of the parents is the perpetrator and the crime is exposed by the other, unoffending parent). Discovery often comes:

- When attempting to open a savings account or college fund for the child. In this scenario, an unoffending parent discovers that there is already an account with that SSN or that the new account is denied due to a bad check record
- When numerous pre-approved credit card offers come in the mail in the name of the child
- When credit cards, checks, bills or bank statements (not opened by a unoffending parent as a joint holder) are sent in the name of the child
- When collection agencies call or send letters about accounts not opened by the child
- When a teen is denied the right to get a driver's license because another person has a license with that SSN as ID. The imposter may even have accumulated tickets or citations in the child's name
- While going through papers during a divorce or while straightening up the house (Parental identity theft)
- When law enforcement comes to the door with a warrant for an arrest of the child

POTENTIAL IMPACT:

Perhaps these examples will help to explain the problem more clearly.

Situation One: Adult/Child Victim

In this case, the perpetrator may be a relative or a stranger. The former seven-year old doesn't find out until he or she eventually applies for a college loan, a driver's license, an apartment, a job or credit after reaching adulthood. It may be 10 -15 years from the time the information is stolen until the crime is discovered. By that point, the crime trail is cold and the devastation to this child's credit record is great. Almost all accounts have gone to collection. The original account may have gone through several hands with company mergers and sell-outs. It is difficult to track down original application and transaction records, so that this now adult/child can find out what happened and how.

Usually the criminal will have used the information until the credit history is destroyed and he/she can no longer get credit or drive using that identity. The child has not checked his/her credit report because he/she didn't even know one existed. The reality is that a credit report should not have existed until that child's first usage as an adult.

The potential impact: The inability to get a college loan, driver's license, apartment, car, house, credit card or even several nights spent in jail while trying to prove one's innocence.

Situation Two: Parental Identity Theft- the Child Victim

The parent has destroyed his/her own credit or driving record. Instead of repairing the damage done to his or her own records, this parent begins to use the information of the child he or she should be protecting. This person may even convince himself/herself that the all the bills will be paid on time and that this action will not impact the child. Rarely does this happen. Not only do these imposters not clean up their own records, but they usually fall behind on the bills under the "new" information.

Both the eventual financial burden and the emotional impact on this child are great. Unfortunately, most law enforcement agencies hesitate to get involved, believing that this type of case falls into the jurisdiction of "family law." It does not.

We will discuss the emotional impact of a case like this later in this guide.

Situation Three: Profiler and the Child Victim



The parent finds out about the problem and is faced with the tedious task of proving that his or her child did not open the accounts. In fact, they may often have to prove that the child is a child. They are placed in the position of being the primary investigator in the case and find out where the breach occurred while cleaning up the mess.

RECORD CLEARANCE AND DO I NEED THE HELP OF AN ATTORNEY?

Adult/child Victims:

1. Follow the procedures found on Victim Guide 17A (in the victim guide section) which includes contacting the three credit reporting agencies, reporting the crime to the police (see #11 below) and notifying the credit issuers so you can clear your records.
2. Only speak with fraud investigators when contacting credit issuers or collection agencies.
3. Keep a detailed log. This log should the name, phone number, and title of each person with whom you speak and summary of the conversation. You may want to use ITRC's "Organizing Your Case" victim guide to help you.
4. For accounts that have gone to collection, use the ITRC guide designed to help you in that situation.
5. Point out that you were a minor at the time the account was opened, and by law were not permitted to enter into a contract. In many situations, you will need to submit a copy of your birth certificate; so if you don't have a copy of it, get one now.
6. Ask to have all accounts, application inquiries and collection notices removed (or blocked) immediately from your credit report. You can do this via the credit issuer or through a dispute process with the credit reporting agencies. ITRC recommends that you make the request of both groups. In the end, the credit issuer is the final decision maker as to whether or not to accept your claim of fraud.
7. Request copies of all application and transaction records still available. Make copies and provide those to the police investigating the case. You may find out how this crime occurred. Some states now require businesses to provide this information (as of Aug. 2003- CA, WA, LA). Even if your state does not, it never hurts to ask.
8. If this is a case of criminal identity theft, please use the ITRC victim guide specifically written for that purpose.
9. Do you need an attorney? Each case is unique and the situation will dictate the need for an attorney. However, in many cases an attorney is not able to do anything you cannot do for yourself. There are always exceptions to this rule, so please feel free to **contact us** with any of your questions. We will let you know if, in our opinion, an attorney might help.
10. Try to get the support of other family members, emotionally and physically. They may help you fill in some of the gaps and provide a shoulder to lean on. They must also be notified that their information may also be in jeopardy.
11. * Regarding contacting the police: If the imposter is a stranger, don't hesitate to contact the police. However, we do understand that calling the police is a sensitive topic if the imposter is someone you know. Please read through our information in Guide #115. If you wish to discuss how this will impact you, the imposter, and your family, please do not hesitate to contact ITRC. We will answer all your questions so that you can make the decision that is appropriate for you.

Child Victims: Parents will have to act on their behalf.

1. Follow the procedures on Victim Guide 17A, which includes contacting the three credit reporting agencies, reporting the crime to the police and contacting the credit issuers to clear your child's records. When you contact the credit reporting agencies, if there is no report, you will be told that no report is available. That is good news. That means that there is a possibility that nothing has happened. However, some companies do not report applications or accounts, only collection actions - so even a "no report" may change six months later.
2. If you don't have a copy handy, get a copy of that child's birth certificate. You will need to send a copy of it out with most investigation or fraud statements.
3. Only speak with fraud investigators when contacting credit issuers or collection agencies.
4. Keep a detailed log. This log should the name, phone number, and title of each person with whom you speak and summary of the conversation. You may want to use ITRC's "Organizing Your Case" victim guide to help you.
5. For accounts that have gone to collection, use the ITRC guide designed to help you in that situation.
6. Point out that the child is a minor and that by law is not permitted to enter into a contract.
7. Ask to have all accounts, application inquiries and collection notices removed immediately from your child's credit report. You can do this via the credit issuer or through a dispute process with the credit reporting agencies. ITRC recommends that you make the request of both groups. In the end, the credit issuer is the final decision maker as to whether to accept the claim of fraud or not.
8. Request copies of all application and transaction records still available. Make copies and provide those to the police investigating the case. They may help you discover how this crime occurred.
9. In the area of criminal identity theft, please use the ITRC victim guide specifically written for that purpose. Again, pointing out that the person they are investigating is a minor will be strong ammunition, especially if the child is very young. You may have to provide an alibi for the child i.e., school attendance records, doctor's appointments.
10. Do you need an attorney? That depends on the offender or person who is using the information. If the offender is a parent or relative or if this is a case that could be tied into a custody or divorce issue, it may be necessary to involve a family law attorney. This is especially true in joint custody cases. If you have joint custody of the child, timing is critical. If you fear that the offending parent might



run off with the child, seek the advice of your attorney as to timing, legal actions that might assist you in protecting the safety of the child or the need to involve child protective services.

11. If the offender is a relative, you might find that law enforcement is reluctant to get involved. You will have to convince them that you will stand up for your child's rights. It is essential that a case of child identity theft is not passed to the family law courts, but is recognized as the criminal crime it is: identity theft and financial fraud.
12. * Regarding contacting the police: If the imposter is a stranger, don't hesitate to contact the police. However, we do understand that calling the police is a sensitive topic if the imposter is someone you know. Please read through our information in Guide #115. If you wish to discuss how this will impact you, the imposter, your child and your family, please do not hesitate to contact ITRC. We will answer all your questions so that you can make the decision that is appropriate for you.
13. Each case of child id theft is different, so please feel free to **contact us** with any of your questions.

SHOULD I CHANGE MY SSN OR MY CHILD'S SSN?

The Social Security Administration has very strict standards about granting new a SSN. We recommend that you read our guide "Should I Change My Social Security Number?" in which many of the specifics are detailed. You will note that in changing one's SSN, you literally separate yourself from any credit or college records attached to that number unless you know how to transfer them without breaching the new number's security. Please contact ITRC if you decide to proceed.

In most circumstances, ITRC does not recommend that victims should apply for a new SSN. However, some child identity theft victims can benefit from such an action.

Child Victim: This is an individual that has not yet established a credit history and will not lose college or financial records. A child who has not yet reached 18 has nothing to lose by changing his/her SSN provided the original offender does not have access to the new number. That may mean court orders prohibiting the offender from gaining access to that number. Talk with your attorney about this procedure.

Adult/child Victim: A young adult that has just started out in life benefits most from a SSN change, if approved by SSA, because you are still in the process of getting college credits and starting a credit history. It is when you have a lengthy credit or work history that things become complicated. If you follow all the repair procedures and the problem continues, this may be the only answer, especially if criminal identity theft is also involved.

EMOTIONAL IMPACT

Adult/Child Victims: Please read ITRC's victim guides on "The Emotional Impact of Identity Theft" #108 and "What If I Know the Imposter" #115. These might give you a greater understanding of what you are experiencing.

1. If the offender is a parent or guardian: It is understandable for you to feel betrayed, violated, guilty and isolated. This is the person you should have been able to unconditionally trust. Hindsight is perfect and you probably saw signs of the problem long before you pieced together the puzzle.
 - a. **YOU DID NOT CAUSE THIS TO HAPPEN.** This person is ill or has significant problems. We understand that knowing this doesn't eliminate or help ease the pain you are feeling.
 - b. ITRC highly recommends that you seek counseling to help deal with the anger that may eventually boil up and with future trust issues. You have control over how this will ultimately affect your life, and therapy will help you in the healing process.
2. If the offender is a stranger: It is common for you to feel distrustful and wonder about how this happened. Unless you uncover evidence that helps to reveal the offender, trying to reason out how this happened is a waste of time.
3. Each person finds a different way to deal with this crime. Unfortunately, you will need to mature quickly. How this ultimately affects you depends on you, your support team and your ability to understand that one person does not represent the rest of the people you will ultimately meet in your life. To allow this one stranger to affect the rest of your life would be the tragedy- not the crime itself.

Child Victims: A few words of support to the courageous parents who will face the battle for their child's financial future.

Stranger Theft: This crime can affect the way that your child sees the world. It is up to you to help him or her understand that criminals exist in this world, but that they don't have to control the way we live our lives completely.

1. Don't feel the need to involve the child in the activities of clearing records. They don't need this type of education unless they are very mature and old enough.
2. Familial ID Theft- Now is not the time or the way to get back at your ex. Your child will have a difficult enough time with this emotionally. Don't add to his or her burden. You may want to seek therapy, especially in cases of child ID theft done by the other parent or a relative. This can affect the child's ability to trust or develop lasting relationships. Even adults struggle with this issue.



3. The child needs to know that he or she did nothing to cause this. They need to understand that the parent made a mistake or is ill. If you consider how you talked with your children about a divorce or separation, and remember the reactions to that discussion, the right words will come.
4. Keep any discussion age specific. Clearly, an older child may want more information and be able to handle it. As with any adult discussion, let the child's questions guide your responses and keep it age appropriate. Do not embellish your answers. Keep them simple and to the point. The child will ask more if he or she wants to know more.
5. Your emotions should not enter the conversation. Children often tune into your body language and your tone of voice more than what you say. Be aware of that and how it might taint the discussion. Try to help them understand that stealing is a symptom of a bigger problem.
6. Finally, if the imposter is arrested and is also your child's other parent, clearly that issue will need to be discussed with older children. Let them guide you.
7. Expect rage, denial, embarrassment, fear and misplaced anger. Children act out their feelings more often than they express them. Keep telling them they are loved and that it is okay to express their feelings appropriately. Obviously, kicking walls is not acceptable.

Drawing is another way some children express emotions. Allow them an opportunity to share their drawing if they wish, but don't push it. Let them lead the way; you are there to be available if and when they want you.

Explain that identity thieves will not come and take them away, will not break into the house or hurt them physically. Reassure them that they are safe and that you will not let anyone hurt them. Other behaviors to watch for include nightmares and things they had outgrown such as bedwetting or the fear of sleeping with the lights off. These are indicators of emotional trauma. Keep reassuring them. AND-----

Find resources to help you. Consider a good children's therapist who works with crime victims. See the list at the end of this guide for possible leads.

PEARLS OF WISDOM: (We invite you to submit a paragraph for possible addition to this worksheet. Please submit to Linda at itrc@idtheftcenter.org and include a release to print. Let us know if we may include your name or if you wish for us to change it.)

Advice from one parent to another:

From "Lisa"-- " I have yet to have a heart to heart with my children as the situation of their biological father amplifies. However, my new husband and I have slowly started to talk to them about similar situations and are starting to get a sense of how they would feel and react. We have talked with several child psychologists that recommend waiting until they can fully understand the ramifications of the occurrence as well as waiting until the laws take effect and actions against their father can be taken. My son is approaching high school this year and is interested in obtaining a checking account. So something will have to be done soon as his father has an account in his name. Explain that to a 13 year old. I myself have a wonderful support group of friends and family, who keep me grounded and supported throughout this mess."

PREVENTION

Be aware that consumers cannot prevent most cases of identity theft. However, there are some steps you can take that can limit the opportunities a thief may take advantage of. There are more tips elsewhere on the ITRC website, including Scam Alerts and Prevention Tips.

RECOMMENDATIONS

Parents: Parents are often asked to show a copy of a birth certificate and/or Social Security card in order for their children to participate in after school sports. Coaches often ask for photocopies of these papers. ITRC does not believe that this is a good security measure and that safer information handling practices should become policy. We recommend the following:

- Ask if the coach has had a criminal and financial background check done by an independent or hiring source. If not, will one be done? This should be an automatic practice due to the amount of child molestation and child information theft.
- Show the papers to the coach and then put them in a sealed envelope. Write your name across the sealed flap in colored ink so that you can tell if it has been opened.
- Initial the back of each page in colored ink that you place in the envelope. At the end of the season you will know if you got the original back.
- Ask where the papers will be stored during the season. Parents need to make sure that the envelopes will be stored in a locked box and returned unopened after the season has ended, unless you have been notified that there is a need to show them to other people.
- Shred all papers that you throw out that contain account or SS numbers.



- Do not carry your or your child's SSN in your wallet, including SS cards. If necessary (i.e. health insurance cards) make a photocopy of the card, cut off the last 4 numbers of the SSN and carry that photocopy with you on a daily basis. Only carry original cards on days you know you will need them. Then if your wallet is lost or stolen, this information will not be stolen.

Students- when possible, ask your college not to use your SSN as your college ID number. If they insist on doing so, only carry your original card on the days you need it. Ask to not include the number on rosters that others may see and insist that it not be posted in public display areas. Lock your information away. Roommates may seem friendly and end up as good friends, but too many victims have found out that an unscrupulous roommate or friend has stolen their information. Watch your backpacks or any briefcases where you carry your wallets or important papers at all times (including in class, at lunch and in the library).

- Use a locked mailbox to send and receive all mail. Do not leave mail unattended for pickup in an "out" box.
- Resist giving out your driver's license number or SSN (or child's SSN) unless they have a good reason for needing it. A doctor's office is a great place for a child profiler to collect information. Make sure that the physician is aware of that and that his or her staff is taking proper precautions with your child's information. Watch for people who may try to eavesdrop and overhear the information you give out orally.
- Scams- Please read our scam alert. Parents- Teach children not to give out personal information over the phone and do not give out any of your or your child's information on the Internet unless you are absolutely sure that you are dealing with a legitimate company. When in doubt, don't. You can check out companies with the Better Business Bureau, the FBI or your State Attorney General if you have any concerns. Think first- don't give out information and then later regret it.

RESOURCES

Victim assistance professionals have long recognized the value of support groups and counseling for victims of crime. Both you and your child (in the case of child victims) are victims of crime, whether your police department recognizes it as such or not. In some cases, you can seek restitution for the services of a professional therapist should your case go to court.

The following is a partial resource list for those who may not be financially able to afford a private therapist themselves or who may need the name of a good therapy program. We also recommend you look in the front of your local phonebook under Crisis Intervention; Psychologists; Marriage and Family Counseling; Clinical Social Workers; and Mental Health Professionals/Clinics.

- Local religious leader- your pastor, rabbi or minister
- Family Service Association
- Ask for a low-cost referral from your family physician
- School counselors, psychologists or principals
- YMCA Family Stress Counseling Services
- Your county Mental Health Association
- Many counties have Victim/Witness Assistance programs affiliated with your local district attorney or police departments. You might also look up a Victim Assistance unit of your state attorney general's office.
- Many professional counseling associations refer clients to free or reduced cost programs.
- Local hospitals often maintain lists of both governmental and non-profit assistance programs. Some sponsor clinics and support programs. Talk with the mental health department.
- Many businesses have an Employee Assistance Program (EAP). You may want to talk with your HR representative to find out about its availability.
- 12-step programs have been of value for some victims. Ones to consider include Al-anon, Ala-teen and Ala-tot.
- Older supportive family members or family friends