

## NATIONWIDE 2013 FRAUD STATS RELEASED

One of the biggest aids to me in Seniors vs. Crime is the Federal Trade Commission's (FTC) Consumer Sentinel. Consumer Sentinel is a national database of consumer complaints of fraud, identity theft, and Do Not Call Registry complaints. I submit many complaints to this database, and check it often to learn what the trends are in fraud, and whether the fraud complaints I get are part of a larger trend, or something localized.

The Federal Trade Commission just released their 2013 report, analyzing the complaints they received from last year. Of course, their numbers only reflect what is reported to them. The report is loaded with statistics, several of which I want to tell you about.

In 2013, people complaining to the FTC reported losing \$1.6 billion in fraud. The average loss was \$2294. Ouch. How did they pay out that money? The report tells us 34% of folks reporting a loss, sent the money out by wire transfer. That was the number one method of losing your money. I talk about this a lot – DON'T TOUCH THAT WIRE! Anyone who contacts you to send money by wire transfer, and I mean by Western Union or Moneygram, is a scammer. Period.

And what was the second most used method of losing money? Prepaid debit cards accounted for 28% of the losses. Prepaid debit cards, in my experience, almost always mean Green Dot Moneypaks. This is another name I talk about all the time, and one you need to learn. Anyone who contacts you to buy a Green Dot card and load money to it is a scammer. Period.

A statistic which surprised me was the percentage of folks complaining of identity theft who reported the fraud involved wage or tax information. This usually means someone used their information to file false claims or forms with the IRS or Social Security. Thirty percent of all identity theft complaints involved wage and tax fraud. This is something to keep in mind as we approach the April 15 deadline for tax filings. Several people called recently to report calls from someone claiming to represent the US Treasury or the IRS. Remember, these government agencies will get in touch with you by mail. They do not call on the phone to discuss your taxes.

Iowa ranks very low in the number of complaints per capita made of fraud and identity theft. We ranked 48<sup>th</sup> in the nation for fraud complaints, and

46<sup>th</sup> for identity thefts. Who made the most complaints? Residents of Florida did. So although their weather (at least in the winter) is more pleasant than ours, there are some drawbacks to living there!

## CURRENT SCAM TRENDS

- Publishers Clearing House Winners

So far in March, I received fourteen calls from people who reported someone called them, claiming to represent Publishers Clearing House. The caller wanted to award them winnings, usually \$2.5 million, from a sweepstakes. To claim the prize they needed to purchase a Green Dot MoneyPak, load money to the card, anywhere from \$120 to \$499, and call the caller back. All the calls come from the 876 area code, which is assigned to Jamaica. Several of the calls came from the same number, and the caller used the same name. This scam has been around for years, but is really getting pushed now, and the new twist is the use of the Green Dot MoneyPak. I need to give a shout-out to the staff at Walgreens at 1905 North 2<sup>nd</sup> St in Clinton. A Clinton woman got the sweepstakes winning call, and went to Walgreens to get her Green Dot card, but the management there warned her of this scam, preventing her losing \$499. Great work, Walgreens!

- Grandparent scam

I saw WQAD-TV in the Quad Cities ran a story on the grandparent scam, reporting three Quad City residents lost money in this fraud in one weekend. Yes, this particular scam shows no sign of going away. This fraud involves a senior citizen getting a phone call from a young person impersonating a grandchild. The grandchild needs money immediately to get out of jail, pay for a hospital bill, or some other dire emergency. A rural Clinton woman called this week to tell me she almost fell for this scam. This woman, a regular reader of this column, heard about this before, knew of all the warnings, but when the call came to her, she believed it, considering everything the caller said sounded plausible. She was prepared to scarp up the \$1500 demanded to bail this young man out of a Las Vegas jail, when her husband suggested they try to call the "grandchild." Guess what? The grandchild answered from his dorm room in Cedar Falls, not a jail cell in Las Vegas.

- Helping Hospitalized Veterans

Two people contacted me this week after receiving mail from this organization. The mail offered them a chance to win a sweepstakes, in a format looking a lot like the real Publishers Clearing House sweepstakes. The mail also solicited donations to buy craft and art kits for hospitalized veterans. I checked out the organization through Charity Navigator, a non-profit which tracks and evaluates charities. Their website noted the California Attorney General filed suit in 2012 against this charity, alleging they “engaged in self-dealing, paid excessive executive compensation, and engaged in fraudulent fundraising...” Sounds like one to steer far away from.

You can contact me with any fraud or scam issues at Seniors vs. Crime, 563-242-9211 extension 4433.

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