

STOLEN FUTURES: A SNAPSHOT ON CHILD IDENTITY THEFT

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THE 7-YEAR OLD EMPLOYEE

At the age of seven, Brandon watched as his mother was handcuffed and taken away by the local sheriff. Brandon's mother was arrested for using Brandon's identity to secure a job and evade her criminal record. How did she do it? It was quite simple; Brandon's mother falsely used her son's Social Security number when she filled out her job application. This fraud continued for almost a year. It wasn't just a mother trying to support her family; she was intentionally seeking a position that involved access to sensitive billing information—a position similar to one that she had used in the past to commit fraud and forgery, which resulted in her criminal record.

When we think of a child's safety we think of physical and emotional well-being, but what about financial safety? According to the Carnegie Mellon CyLab's report *Child Identity Theft*, published in April 2011,¹ children's identities are increasingly used to commit fraud. Just as a criminal can use personal information of an adult to commit fraud, a criminal can just as easily use the identity of a child.



CRIMINALS CAN USE A CHILD'S PERSONAL INFORMATION TO OPEN CREDIT ACCOUNTS; STUDENT, HOME, BOAT, AND CAR LOANS; RECEIVE GOVERNMENT BENEFITS, UNEMPLOYMENT COMPENSATION AND TAX REFUNDS; ACCESS MEDICAL CARE; SECURE EMPLOYMENT; AND EVEN COMMIT CRIMES.

In many circumstances, the motive behind child ID theft is not unlike other identity theft crimes—greed, evasion of a criminal past, or sometimes simply a means of survival. Many criminals turn to stealing children's identities as this criminal act can go unnoticed, and currently, there are virtually no consequences for the perpetrators. The child victims, on the other hand, face very serious consequences by inheriting significant debt, carrying a tarnished credit history, or suffering emotional impacts—particularly if the offender is a parent or family member—all before they even reach legal age.

You may be stunned to find out that this crime occurs, and curious as to how it is even possible for a child to be issued credit. Unfortunately, it's easier than you can imagine, as the credit granting "system" isn't set up to verify the accuracy of the information contained in credit applications against Social Security Administration records (i.e., that the Social Security number presented corresponds with the age and particular person to whom it was issued).

EARLY DETECTION, RECOVERY, AND RE-VICTIMIZATION

Child identity theft presents many challenges, such as early detection: how can we identify these victims before they reach adulthood and discover the damage that has already been done? Also, the multitude of barriers impeding the victims from recovering their credit and get credit cards, student loans, car loans—all the things typical young adults seek. And, how can we prevent re-victimization?

These challenges are compounded when children discover that, in many cases, those responsible for the ID theft are people they love and trust—their own parents or caregivers. These children and young adults are then faced with an even more serious dilemma of choosing whether or not to report their own family to authorities, often a requirement in the credit remediation process.

RAISING AWARENESS

For now, the most important step we can take is to help build awareness of the issue, to learn more and talk to our friends and family about child identity theft. Professionals are increasingly working together toward to develop recommendations for prevention and recovery from this crime.

We invite you to join in this effort in person or via webcast—

Stolen Futures: A Forum on Child Identity Theft
Tuesday, July 12, 2011
Washington, D.C.
This forum is free and open to the public.



[http://www.ftc.gov/bcp/workshops/stolenfutures.](http://www.ftc.gov/bcp/workshops/stolenfutures)

Hosted by the Federal Trade Commission and cosponsored by the Office for Victims of Crime within the U.S. Department of Justice, the forum aims to advise the public on child identity theft cases and resolving existing cases.

Forum attendee—who will include government, business, and nonprofit representatives; legal service providers; child-serving professionals; and victim advocates—will explore the nature of child identity theft. Topics will include foster care identity theft and identity theft within families, and attendees will begin to craft the remedies to help reduce the impact of this crime on a vulnerable victim population.

Brandon's future is uncertain. We don't know how his mother's actions have affected him or what emotional impact he may endure, but we do know that this crime should not happen.

AS PROTECTORS OF CHILDREN, WHETHER WE ARE PARENTS, CAREGIVERS, GUARDIANS, OR THOSE WHO WORK ON ISSUES AFFECTING CHILDREN, WE HAVE A DUTY TO ALL CHILDREN TO SEND THEM INTO THE WORLD WITH HOPE—NOT A TARNISHED FUTURE.

ⁱ *Carnegie Mellon CyLab "Child Identity Theft"* published April 2011
<http://www.cylab.cmu.edu/files/pdfs/reports/2011/child-identity-theft.pdf>