

Fraud-Related Crimes

Identity Theft Comes in Many Forms

Thieves use stolen credit card numbers, Social Security numbers, and driver's license numbers to open checking and credit accounts, and apply for loans, pay bills, and charge items over the phone or the Internet. Prosecution requires identification of the suspect, which is virtually impossible in these types of cases. The Social Security Administration reported that complaints about misuse of SSN's have increased nearly four times in two years.

Manufacturing Counterfeit Checks

Checks can be made on computers with programs such as Versa Check, by copying routing numbers off valid checks. Many of these checks look like they are legitimate and could have been issued by businesses as payroll checks.

Counterfeit Money, Cashier's Checks, Money Orders, and Traveler's Checks

There has been an increase in the production of counterfeit money, cashier's checks, money orders, and traveler's checks. These are also being generated by computers. Computer hardware is so inexpensive that anyone can get into the "business" with an investment of \$1,000 or less.

Internet Scam

People often make arrangements to purchase items over the Internet through e-Bay, Craig's List or other means. They will send a check to the seller for an amount of hundreds or even thousands of dollars more than the agreed upon price. The receiver of the check then contacts the person who sent the check. The receiver is then told the amount was made out "by mistake." They are instructed to go ahead and deposit the check that was sent "by mistake." The check receiver then is supposed to send another check to the original sender for the difference.

The problem with this scheme is the check is usually counterfeit. Victims are also disappointed when they learn local police often have no jurisdiction and no way to prove who perpetrated these scams. While this practice is common in this country, many Internet scams of this nature also originate from other countries.

Construction Fraud / Theft by Swindle

Occasionally people will be approached by unscrupulous contractors who will offer to replace siding on their homes or do some kind of home repair work. They will require large deposits before the work begins. They may start the project, if they do much work at all, and then are not seen again. Victims have been left not only with an unrefunded deposit, but substandard work for which they need to hire another contractor to fix.

Telltale Signs of Construction Fraud

- Contractor / swindler solicits victim instead of victim calling or finding contractor in the Yellow Pages.
- The swindler is not licensed to do any of the home improvements in the State of Minnesota.
- The swindler frequently has a "record" with the State of Minnesota Department of Labor and Industry.
- The swindler wants cash up front, usually a very large percentage of the quoted price or the total cost of the job.
- The quoted price for the labor and materials is too low.
- The workmanship is obviously shoddy.
- The swindler may demolish large sections of the victim's home, leaving debris everywhere and not returning. This is done to coerce the victim into paying more money so the swindler will return and fix the home.
- The swindler will never be able to fix the home because they are unlicensed, are unqualified to be licensed, or is unable to obtain a building permit.
- Often the swindler sounds like they know what they are talking about because they may be employed by a construction company as an estimator or other work-related experience. However, they are not trained or licensed for trade work.

What to Do If This Happens To You

- If you live in the City of Saint Paul, call the Police Department at (651) 291-1111 and request an officer come to your home to make a report. You will be contacted in a few days by an investigator for follow up.
- If you have the following documents, please make copies for yourself and give the originals to the officer:
- Swindler's business card
- Estimate of the job
- Contract
- Cancelled checks

Prevention

The Minnesota Department of Labor and Industry recommends that if you are interested in having home repair work done on your home, get three estimates from licensed contractors before making a decision on who should do your project. You can find out if a building or remodeling contractor is licensed by calling the [Department of Labor and Industry](#) at (651) 284-5065, electricians at (651) 284-5064, and plumbers at (651) 284-5067 and the [Better Business Bureau](#) (651) 699-1111.

What You Can Do to Protect Yourself & Your Family From Being Victimized

- Protect your checks and credit cards. They are more valuable than cash to criminals.
- Don't put your driver's license number on your checks. This makes it easy to get a false ID made.
- Keep all credit card receipts safe. Many criminals use numbers off of receipts to defraud.
- Don't leave wallets, purses, or checks in a car.
- Shred credit card offers you get in the mail. Thieves steal mail and garbage to get these offers. Never give your card number out to someone calling you. Make charges only when you call a company over the phone. Credit card fraud investigators will never call and ask for your number and expiration date.