

# Child Identity Theft and Ways to Avoid it

📅 Thu, 07/18 10:29AM ⏱ 26:22

## SUMMARY KEYWORDS

child, information, basil, identity theft, parents, minors, wil, received, identity, social security number, fraud, occurs, credit, freeze, contact, file, triangle, protect, person, prevent

## SPEAKERS

Introduction, Basil, Wil, Terri

- W

**Wil** 00:00  
Today on the Making money Personal Podcast we will be talking about child identity theft with Resolution Specialist Basil Paul.
- I

**Introduction** 00:16  
You're listening to Triangle's Making Money Personal Podcast where we engage in real talk about financial matters that affect our community. Today's episode is sponsored by Triangle Credit Union recently voted Best Credit Union in New Hampshire. Triangle Credit Union, A Better Way to Bank.
- T

**Terri** 00:34  
Hello, and welcome to episode two of the Making Money Personal Podcast, Terri Connolly with will Infante. And today we want to talk about something that not too many people think about until unfortunately, it's too late. And that's child identity theft.
- W

**Wil** 00:49  
Yeah, Terri, you're right. It is an increasing concern for many Americans across the country.

When I was doing my research for this podcast, I learned that over one million children are affected every year, which absolutely blew my mind. I didn't think that that many children were affected by this. And as a result, over \$2 billion have been spent on this. So today, we want to expose that issue and find out what we can do to not only protect ourselves as parents, but what we can do to protect our kids.

T

Terri 01:21

Yeah, those are pretty alarming statistics, Wil. And that actually kind of segues into, you know, in terms of I know that from a personal perspective, you've taken some steps to protect your own identity, like freezing your credit score, I think you've got an app for that. But have you take you know, you have two daughters? Have you taken any measures, like freezing social security numbers or scores or anything like that for them.

W

Wil 01:49

It's funny, you know, when we started researching that, for this for this episode, I didn't really think about that up until, you know, recently. So yeah, you're right, in the past or the last two months ago, or so I discovered that all the major credit agencies allow you to, you know, freeze your credit report. So I did download their respective apps and I, you know, I signed up and I did the whole thing. And whenever I want to apply for a loan, or if I want to rent an apartment, whatever I want to do, I have to go into that app, and I have to unfreeze my profile in order for the lender or whoever to access it. Once it's done, I then go back into that app, and I freeze it again. And yeah, it's a great program.

T

Terri 02:42

Good. Well, it's good to know, we'll maybe talk about that a little bit further down the road. So, on today's show, we actually have an expert on all things identity protection, and that is Basil Paul, and he is a Case Manager and Resolution Specialist for Econocheck, Econocheck, is an industry leader in identity theft protection, and our credit union members actually have access to their IDProtect platform when they have a better checking account? So, Basil, thank you so much for spending your time with us today. And welcome to the show.

B

Basil 03:12

Absolutely. Thank you, Terri and Wil for the opportunity to share information with you and your valued members there at the bank.

W

Wil 03:20

Yeah, thank you for coming along. Basil, it's really great to have you. Let's start off with what is the bare minimum that you know, we should be doing? And to go back to Terri's question as well. Can I as well freeze my kids credit reports? As far as I know, they don't even have one. But what can I do to protect them?

B

Basil 03:42

Yeah, sure, there's a number of different steps that you guys can take to keep your child's identity secure. As you mentioned, placing a credit freeze on your credit, child's credit file is probably the best option. This can be done by contacting each of the three credit reporting agencies. And what they'll ask for is a series of verification questions to ensure that you're the parent or the legal guardian. And what they'll ask you to do is create a pin number, they'll provide a pin number for you. So you can lock up the child's credit file. So no credit activity can be conducted by anyone other than yourself. And unless you had the pin number.

W

Wil 04:21

Right, that's awesome. Do you know if I know that for when I did it, it was free, Is that the same case for for my children? I assume it is. But I have to ask.

B

Basil 04:32

Yes, it would be free. Now, it can vary the requirements for how to place a credit freeze on your child's credit file, it varies from state to state. And depending on the bureau that you're working with, generally, they'll ask for verification that the person requesting the phrases either a parent or a legal guardian, and then the bureau's will also request the minor's information, date of birth, social security number, so on and so forth, but because recent activity that's occurred where this type of identity theft is increasing, the bureaus have taken the charges for that off.

T

Terri 05:09

So I'm Basil we had shared a couple of amazing statistics early on in the intro to this particular episode. Do you find those, you know, alarming? And, you know, just how critical Do you think that our children's identities are at risk for identity theft?



**Basil** 05:29

Well, it's a growing threat. With the events of technology and the ability to send information faster and easier online. Analysts are noticing an increase in this type of fraud. As you guys mentioned, at the beginning of the podcast is more than 1 million children that were victims of identity theft or fraud in 2017. Two thirds of those children who were affected were under the age of seven. So it is an alarming statistic. And unfortunately, we're seeing increases every year.



**Terri** 06:03

That's alarming.



**Wil** 06:04

So Basil, what time what's the most common type of identity theft that occurs for children? Like, what are they, what's the common thing that they're after? I guess, or what are they trying to accomplish with their information?



**Basil** 06:19

Sure, there's actually maybe three of them that we see most common in our department. The first thing financial childhood identity theft. So what that is, is when a criminal creates a synthetic identity, which means that they are combining a child social security number with an adult's date of birth, and then they'll create a false identity so they can apply for loans or lines or make any purchases. That's one type of childhood identity theft, that's pretty common. Another one is tax childhood identity theft. This occurs when a criminal uses the child's information, to report earnings, and to receive tax incentives that they wouldn't qualify for, or conversely, to avoid tax liens or obligations that they would owe. Yet, another type of common childhood identity theft is medical childhood identity theft. This is committed with a thief uses a minors information to receive medical services, or provide the minors information on billing documents or statements to prevent the criminal from having these charges reported on their own credit file or being billed themselves. This tactic is also used by thieves who do not or cannot qualify for medical coverage or to avoid paying for medical services themselves.



**Wil** 07:43

Wow. And so with Econocheck in with IDProtect, would you say that, this happens often? How often does this particularly happen? How often do you see this?



Basil 07:58

Yeah, it really depends on the time of year. So identity theft is kind of one of these crimes of I guess whenever.



Wil 08:12

Opportunity.



Basil 08:13

So opportunity. Exactly. So around the November, December, time, where there's a lot of shopping, we see an increase in financial childhood identity theft, you know, people are not able to buy the presents or the gifts that they want to so they'll put a child's social security number on an Amazon application, or whatever it is, so they can finance and buy the gifts that they want to buy. You know, tax childhood identity theft occurs around January, February, you know, they have a lien or something that they're being held responsible for, as they follow that new tax for January, February, they kind of tend to use minors information to try to avoid being responsible for some of those things. So you know, it happens, up and down the calendar, according to whatever is going on. During that time, unfortunately.



Terri 09:10

Well, we're certainly bringing this in the right time anyway. Right, with the all the holiday shopping that's taken place and everything then. So it's pretty timely podcast, I would say.



Wil 09:22

Yeah, absolutely.



Terri 09:25

So, you know, Basil, what, what are some of the things that we can do? Both will and I have children, and now that we're bringing this to light, not not that it's too late, because it has been around for a while. But now that we're talking about it, in addition to, you know, using some of the apps that are out there, for, you know, freezing, their credit files, what other types of things we can do to keep our children's identity secure?

B

Basil 09:54

Sure, sure. Another step parents can take to protect their child is to be selective as to who they share personal information with, such as their social security number, so not every entity that asks for it actually requires the social security number. So, for example, you know, if you go in to apply for medical services, of course, they're going to need the social security number, but maybe your child's soccer team doesn't need that information. So it's need to know kind of basis in that sense. So that helps kind of protect the scope of who has access to your child's information. The other thing is, you have every right to ask what the information that's being asked for is going to be used for. So you know, if you need the child's security number, that's great. What is it that it's being used for? Where is it being stored? How is it being protected? And then you also can ask for an alternative to providing your child's social security number. So for example, Instead of the social is there, anything else that I can provide you as an alternative would be one way for them to be able to verify your child or their information.

T

Terri 11:07

That's an excellent point. Do you think that that's becoming more of an acceptable tactic? You know, now that, I mean, legitimately, we could say that, you know, hey, we just want to kind of keep our children's identity protected. Are there other, you know, pieces of information that we can give you?

B

Basil 11:27

Yes. And I think it's through, you're seeing a lot more news coverage and stories online of these larger data breaches, where companies have thousands upon thousands of files that are being exposed. So now, naturally, whenever anyone asks for that information, the automatic response is, Well, I don't want to give you all that information. What else can I provide to you? And a lot of the creditors that we work with, especially in my department, understand that sentiment, and they understand that they're just trying to protect themselves from any further damage and liability. So they'll say, You know what, give me the last four of the social or the street you grew up on, or some other way for them to use verification methods or tactics rather than just blatantly give out the social security number.

T

Terri 12:15

That's an excellent point.

W

Wil 12:17

So Basil, is there a way to check whether or not my children have been affected by this? And if they have been, what can we do?

B

Basil 12:28

Yeah, one way to check whether a child has been a victim or not, is you can contact each of the three credit reporting agencies to request a copy of your child's credit report, if one exists. If a credit file with your child's name does not exist, which ideally one should not, you'll be notified that the child does not have a credit file on record.

T

Terri 12:50

So you know, just as a follow up, is, if I've run into an issue where my identity has been compromised, you what's the likelihood that my children's identity would be at risk?

B

Basil 13:05

Sure, sure. You know, if you've been identified as a victim of identity theft, it doesn't necessarily mean that your children's identity will be at risk as well. But with that being said, people who reside in the same household are greater risk, because they share a lot of the same personal information that the thief may have already taken. So for example, you and your child would typically share primary address. So that's one information that the thief already has, and you may be moved into your home after your child was born, which means that the child's time of residence would be the same as yours.

T

Terri 13:47

Okay, alright.

W

Wil 13:50

Basil, one question that I have as well. What can I do? If my child ever does become a victim of this? What can I do to restore their identity and kind of make it go away as quickly and efficiently as possible?

B

Basil 14:05

Yeah, we first and foremost, encourage parents or guardians to contact us here at the

IDProtect Service Center for any kind of assistance. So we're trained, we can walk you through each of the steps, and the processes help alleviate some of that stress that goes into that process of trying to get all this resolved and taken care of. But in addition, parents can also contact the creditors who have been identified on your child's credit file. So for example, if you have a creditor that keeps calling for your child, make them aware that the person that they're asking for is actually a minor. So that'll help prevent them from any further phone calls or solicitations. That will also probably prompt that company's credit monitoring service or their fraud team to kind of launch their own investigation, and figure out how the thief was able to get far enough in their program to be able to solicit and ask for minors' information. So that's one step. You can also contact the credit reporting agencies themselves, Equifax, Experian, and Trans Union, make them aware that if a credit fraud does in fact exist, that your child is only, you know, under the age of 18, so anything that's been being reported on there is not valid. They have their own dispute processes, and they have their own fraud investigative units that would want that information. So reporting that to them is helpful, because anything further that occurs on the child's credit file can be flagged for fraud and prevent anything else from being added on there as well.

W

Wil 15:41

That reminds me of a story when I was about 12 years old, I accidentally, not accidentally, I knew what I was doing. But my mom wasn't happy. I signed up for internet. And at this time AOL was huge. And I signed up for AOL, and they were calling to get like payment confirmation in my in my mom answered the phone. And, you know, she was like, you know, he's a minor, he's 12 years old. You know, and that's what this reminds me of that sometimes, kids may do it without even knowing may give certain information out there without it without even knowing. So maybe it's up to us as parents to kind of educate them and make them aware of things that are going on and not to share certain information about themselves, so that they don't become a victim themselves as well.

B

Basil 16:35

Yeah, what I was going to mention is part of the strategies to prevent this kind of theft from occurring, as parents should have that conversation with their kids about protecting their own information. You know, parents should know what kind of personal information their children are storing on their electronic devices or sharing with third party social media sites, or gaming or shopping sites, and teach them safe internet behaviors, you know, including hotspot, potential scams, phishing scams, through any pop ups, or any suspicious email request. Basically, if you're on a shopping site, or a gaming site, if something pops up requesting for any information other than what you provide as far as a



username or anything else, then it should be treated as suspicious. And again, going back to that question of why it is that this person or this entity wants that information, what it's being used for.

W

Wil 17:30

Right. Now, in your in your, since you've been with Econocheck, have there been any instances where, you know, through social media, or any cases that stick out in your mind that you can talk about?

B

Basil 17:45

Sure, we've had a case with someone who set up a gaming network under their parents name. And so this person plays a very popular online game, which will go unnamed. There's micro transactions, which means that anytime they get to a new level, and they need new equipment or anything else like that it requests information, or an authorization from the user to be able to make purchases, which realistically are coming out of the person's, the parents debit card or their credit card. So as this was occurring, this happened on a regular basis, the parent kind of ignored a lot of the activity because they just attributed to the child being online all the time. Well, it got to a point where the child had maxed out on the level or beaten the level. So he received a pop up message asking for additional information so they can be taken to the next level or the step of the game. So it was the the message that they received was in the same font, and the same graphics is what they would normally receive in the game. But it was outside of the network.

W

Wil 18:58

Oh, wow.

B

Basil 18:59

What we had found out is someone had hacked the network and was able to retrieve VPN information, username, anything to help identify themselves to the child as being legitimate. And they started asking for information such as the date of birth and the social security number of things that the child would not need for this game. And the reason that it was caught is because there was a verification email sent from the network stating that this kind of scam was going on. So the parent received it, asked the child when it happened, the child said, No, you know, Mom and Dad, it was directly from the game. They just asked me for a little bit information, and I kept going. So what we found out what type of information it was the child was like, it's no big deal. It's just my social.

W Wil 19:56  
Yeah, that didn't go over? Well, I imagine.

B Basil 19:58  
No, it was a long night for me.

T Terri 20:02  
So what point do you get involved in something like that, where you brought in as soon as the parents started seeing these awkward and kind of weird charges on their on their debit card, or through their online banking? or How did that go down?

B Basil 20:16  
It varies depending on the case that I'm working on. So it could be a phone call, it could be a letter, it could be just parents noticing something is going kind of haywire. They're receiving letters in the mail for the child to refinance his or her mortgage, or something else like that. So once they start receiving those kind of notifications, as soon as that light bulb goes on the head that something is amiss, they can certainly contact me, we can go over preventive and precautionary measures to help it prevent it from escalating to anything further. So it really depends on the individual. And some people will dismiss initial responses or phone calls. Other people, we'll take those things seriously, what we recommend in our department is to take everything that requires attention seriously, because we don't know what the extent of the damages until we're able to kind of assess it open up a case, go into an investigation, it may be a phone call, or it may be a confirmation that you've got a 90 inch plasma TV that's going to be delivered to your kid's house, you know?

T Terri 21:24  
This is excellent information, Basil, we really appreciate having having you on today. I think it's an eye opener. And I know what the first conversation I'm going to have with my kids when I get home today.

W Wil 21:35  
Yeah, I personally had to put a pin number on all our streaming devices at home. Because when my five year old, she was four or three and a half, maybe at the time, she she was

able to download a bunch of PBS shows and Nickelodeon and I was getting charged, you know, 99 cents a pop for for all Luckily, I was getting emails. So I was able to catch it relatively quickly. But, you know, I had to go through the hassle of calling Amazon and try to get those funds back because she was she was about to drain my account. But let's just put it that way. So yeah, I know, I know that personally.

T

Terri 22:19

Okay, you have any other questions?

W

Wil 22:21

No, I think I'm, I think we're good. The one question that I did want to ask is, Basil, how did you get into this business? You know, what's your background? What's your origin story? How did you? How'd you to get to where you are right now?

B

Basil 22:37

Sure, sure. I've actually been in banking myself, for six years prior to joining Econocheck. So, and I was on branch banking, I was an assistant manager. So I helped a lot of these kind of cases as they came in through the door. So I kind of had a first hand perspective of where the victim lies in this, and how it affects their banking relationships. And furthermore, than their credit, as well. So I had an opportunity with this company, to kind of work on the other side of it. And I myself was a victim of identity theft, oh, I understood the frustrations of going through and waiting on hold and not figuring out what my next steps are getting a lot of will will give you a call back, you know, will send you a letter and just waiting by the mailbox and waiting by the phone expecting a phone call, which I never received. So having someone there to kind of guide you through that process, I think is invaluable. And I kind of take every case as if it was me in that position. And how I would want to be treated and how I would want to be communicated with obviously, identity theft is a violation of person's personal information. So they've already been victimized. So my goal is to kind of empower that person and kind of shift the dynamics of power back to them. So they get control back of their information, and provide them tips and strategies to help prevent it from happening or occurring again.

W

Wil 24:07

Right.



Terri 24:08

That's awesome.



Wil 24:09

That is fantastic. I know that, you know, with our Better Checking account, I know that I don't know what the exact number is, but I'm sure a few of our members have used or have taken advantage of the IDProtect program that you guys offer us. So I'm sure a lot of people within our membership appreciate you guys immensely for that. So



Terri 24:30

Yeah, you guys are kind of like superheroes really.



Basil 24:34

I can tell my kids that.



Terri 24:38

You bring home your own message and will bring home our own message.



Basil 24:43

Right.



Terri 24:44

Yeah, just a little shout out about our Better Checking, the great thing about this particular program and service is that it covers all all your children that are residing in your household.



Wil 24:59

And that's included.



Terri 25:00

Yes, yeah. So you know, for anyone who's listening out there and you haven't taken

advantage of Better Checking with Triangle Credit Union, we certainly encourage you to contact your local branch, whichever is most convenient. Or I can give you Wil's phone number at the end of the show and you can call him personally.

**W** Wil 25:18  
Yes.

**T** Terri 25:20  
Alright. Good. This is good stuff. Okay, Basil, thank you so much. We again, we truly appreciate your time today. And, you know, just the expertise that you've lent to this episode. We truly appreciate everything that you've shared with us.

**B** Basil 25:35  
My pleasure, Terri, Wil and your members there at Triangle Credit Union. Thanks for the opportunity.

**W** Wil 25:39  
No problem, Basil, take care.

**T** Terri 25:41  
Thank you.

**B** Basil 25:41  
You're welcome.

**W** Wil 25:42  
This has been the making money personal podcast with Wil Infante and Terri Connolly. For more information on all of Triangle Credit Union's product and services. Feel free to visit us at [TriangleCU.org](https://TriangleCU.org) if you have a question, or a subject you'd like us to cover in a future episode, we'd love to hear from you. Shoot us an email at [TCUpodcast@TriangleCU.org](mailto:TCUpodcast@TriangleCU.org) and we'll do our best to cover it on the show. Thank you and take care.

