

another person's personal information, which they either sell to obtain money for methamphetamine purchases or exchange for the drug. The prevalence of such identity theft is rising in many areas where rates of methamphetamine distribution and abuse are high or increasing.

Methamphetamine-Related Identity Theft

Some methamphetamine abusers engage in various forms of identity theft in order to obtain methamphetamine. For example, methamphetamine abusers often generate cash by stealing and subsequently cashing personal checks or by using stolen credit cards to purchase merchandise that they sell for cash or trade for methamphetamine. Some abusers also trade stolen credit cards or personal documents (such as checks, bank statements, workplace pay statements, etc.) to distributors in exchange for methamphetamine. The distributors then sell the stolen credit cards and documents or provide them to methamphetamine producers as payment for the drug. For example, the Central Valley California High Intensity Drug Trafficking Area (HIDTA) reports that drug trafficking organizations (DTOs) and criminal groups that traffic methamphetamine in the HIDTA region organize groups of methamphetamine abusers and direct them to steal personal identity documents in exchange for drugs or cash. Identities traded for methamphetamine are then used by the DTOs and criminal groups in a variety of ways, including:

- To launder drug proceeds:
 - By opening bank accounts in victims' names to deposit, transfer, and withdraw funds.
 - By using victims' identities to transfer large sums of money through money services businesses and to purchase money orders in amounts that require proof of identification.
 - By applying for mortgages in victims' names.
 - By using victims' identities to acquire online credit and to make purchases.

- To supply criminal fugitives within the DTOs and criminal groups with fresh identities in order to evade law enforcement, incarceration, or even deportation (in the case of illegal aliens).
- To sell for cash to brokers, who resell the identification documents to other criminals for their use.
- To purchase precursor and essential chemicals with fraudulent credit cards or checks.

Law enforcement reporting indicates that methamphetamine abusers typically acquire another person's personal information and identification documents by sorting through victims' garbage as well as through mail theft, car break-ins, and Internet and e-mail scams. Law enforcement reporting also reveals that methamphetamine abusers commonly form organized groups to facilitate identity theft. The groups typically consist of Collectors, Converters, and Passers, who work within a specific geographic area and are responsible for specific tasks.

- Collectors acquire identification documents through theft of personal information—usually from mail boxes, dumpsters, landfills, and parked cars.
- Collectors provide stolen identification documents to Converters, who use the information to establish fraudulent bank and credit accounts and to obtain fraudulent checks and monetary instruments.
- Passers use the fraudulent accounts and instruments to purchase expensive consumer items in person or to cash fraudulent checks.

Law enforcement reporting indicates that methamphetamine is the drug most commonly implicated in the drug-related identity theft complaints reported each year. For instance, law enforcement officials in Arizona, Arkansas, California, Colorado, Kansas, Oregon, and Washington indicate that stolen mail and other documentation consistent with identity thefts have become increasingly commonplace at locations investigated under methamphetamine-related search warrants. Moreover, data

Sources

Federal

Executive Office of the President

Office of National Drug Control Policy
High Intensity Drug Trafficking Areas
Arizona
Central Valley California

Federal Trade Commission

Bureau of Consumer Protection
Division of Consumer and Business Education

U.S. Postal Inspection Service

State

Arizona

Attorney General's Office

California

Computer and Technology Crime High-Tech Response Teams

Los Angeles
Sacramento
San Diego
San Francisco
San Jose

Office of Senator Dianne Feinstein

Washington

Office of Senator Maria Cantwell

Other

The Council of Better Business Bureaus

National Association of Counties

World Privacy Forum



319 Washington Street 5th Floor, Johnstown, PA 15901-1622 • (814) 532-4601

NDIC publications are available on the following web sites:

INTERNET www.usdoj.gov/ndic ADNET <http://ndicos.a> RISS ndic.riss.net
LEO <https://cgate.leo.gov/http/leowcs.leopriv.gov/lesig/ndic/index.htm>