



OIG Fraud Bulletin

February 2, 2023

IDENTITY THEFT

Identity (ID) theft is a common fraud scheme that can negatively impact HUD programs and its beneficiaries. ID theft happens when someone steals your personal information or create false identities to commit fraud, such as using a stolen identity to apply for and illegally receive HUD benefits. Anyone can experience ID theft; however, children and seniors are particularly vulnerable. Child ID theft may go undetected for many years until adulthood when applying for their own loans. Seniors share their personal information with caregivers and other close family and friends, putting them at risk. HUD OIG investigates ID theft cases related to appraisal fraud, mortgage fraud, grant fraud, and other HUD program-related fraud.

IDENTITY THEFT SCHEMES

Individuals who commit ID theft fraud use schemes to obtain access to the names, addresses, social security numbers, bank accounts, and other personally identifiable information to carry out their schemes. By obtaining access to your personal information, fraudsters may be able to qualify for, and receive housing benefits, such as public housing or rental assistance.

Insiders, such as bank or mortgage employees, loan officers, accountants, or bookkeepers, can also use their position to forge signatures, access bank accounts under another's identity, or falsify documents to profit from the scheme. Employees of grant-funded organizations can also commit ID theft to obtain Federal funds from their employer. Identity thieves also falsify court records, fabricate official-looking public documents, and alter information to public documents as part of their scheme.

HOW TO PROTECT YOURSELF FROM IDENTITY THEFT

- Frequently change your passwords and use multi-factor authentication if available.
- Use different usernames and passwords for different websites, especially banking and financial websites.
- Before sharing personal information, research the organization by doing an internet search of the entity or person requesting your information.
- Shred documents that include personal information prior to disposing of them.
- Frequently review bank and credit card statements for suspicious charges. If you suspect fraudulent activity, lock your account, and call your financial institution.
- Be aware of information you share on social media (birthday, favorite color, mother's maiden name). Hackers collect this information and use it to steal your identity.
- Store personal information in a safe place.



HOW IDENTITY THEFT CAN BE USED AGAINST YOU

- Stolen social security, public housing, or other Federal benefits: [Cleveland Woman Sentenced to Prison for Stealing Pension Benefits and Defrauding Government Programs](#)
- Fraudulent mortgages or credit card debt taken out in your name: [Bergen County Man Charged with Mortgage Fraud, Fraudulently Obtaining SBA Loan and Aggravated Identity Theft](#); [Mortgage Loan Officer Charged With Bank Fraud and Aggravated Identity Theft](#)
- Cash stolen from your bank accounts: [Law Firm Bookkeeper Sentenced for Fraud, Identity Theft](#)

PANDEMIC RELATED FRAUD

Pandemic spending and relief programs were expedited efforts by Congress to provide widely available aid during the COVID-19 pandemic. The Pandemic Response Accountability Committee (PRAC) is a key resource in understanding how the Federal Government has allocated pandemic program funding using data from the financial anti-fraud efforts. In addition, the PRAC developed a report focused on [ID theft in pandemic benefits programs](#).

Report fraud schemes involving public housing or other HUD-funded programs or benefits, by contacting the HUD OIG Hotline at 1-800-347-3735 or visit, <https://www.hudoig.gov/hotline>.

Victims of identity theft should also review the information on the Federal Trade Commission (FTC) website on how to recover from, mitigate, and prevent identity theft: <https://www.identitytheft.gov/>.

