



# State of Connecticut

## *Insurance Department*

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COMMISSIONER

# Consumer Alert

**FOR IMMEDIATE RELEASE**  
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## **PROTECTING YOUR STUDENT'S FUTURE**

### **What Your College Student Needs to Know about Identity Theft**

*Imagine graduating from college with thousands of dollars of unauthorized debt and a wrecked credit rating because of identity theft. Of the almost 675,000 identity theft complaints received by the Federal Trade Commission in 2006, 29 percent came from young adults. And, according to a 2006 U.S. Department of Justice report, households headed by persons ages 18-24 were more likely to experience identity theft than others.*

*As a college student, your child may be vulnerable to identity theft because of the availability of personal information and the way many students handle this data. The Connecticut Insurance Department helps you understand identity theft, and the steps you can take to help ensure your college student does not become a victim.*

#### **What is Identity Theft?**

Identity theft is one of the fastest growing crimes in the United States, costing victims more than \$5 billion annually. Identity theft occurs when a person uses your personal information, such as Social Security number and date of birth, with the intent to commit fraud or to aid an unlawful activity. Once personal information is obtained, the person might open new credit card accounts in your name, open bank accounts in your name to write bad checks or take out a loan in your name. Federal law provides a \$50 liability limit for the fraudulent use of ATM/debit and credit cards. Because of this, most identity theft victims never incur a high amount of direct monetary losses. However, restoring credit and correcting the information can be a slow, time-consuming and costly process.

#### **What Can Your Student Do to Prevent Identity Theft?**

College students are more likely to be hit by identity thieves because they are vulnerable. College students usually do not understand the consequences of identity theft, and they are generally unprepared to protect themselves when the steady stream of credit offers and requests for personal information begin.

Taking steps to protect their identity is important. Here are some simple suggestions for your student to keep in mind:

- Avoid carrying your Social Security number and driver's license together in your wallet.
- If the school uses your Social Security number for your student I.D., request an assigned number.
- Request that your Social Security number not be used to publicly post grades.
- Shred pre-approved credit card offers and bills before disposing of them.
- Avoid putting outgoing mail in unsecured campus mailboxes. Instead, deposit outgoing mail directly in U.S. Postal Service mailboxes.

- Do not shop online or pay bills on a public computer.
- Be suspicious of solicitors. You should never give personal financial information or your Social Security number to anyone unless they have good reason for needing it.
- Limit the amount of information you place online. Whether on a university directory or a social networking site like MySpace or Facebook, remember that anyone can read what you post. Don't make personal identifying information public.

### **Can You Insure Against Identity Theft?**

If you or your child is a victim of identity theft, it can be costly to reestablish lost credit or identity. Several companies are now offering identity theft insurance, which generally costs between \$25 and \$60 per year. Identity theft insurance cannot protect you or your child from becoming a victim of identity theft and does not cover direct monetary losses incurred as a result. Instead, identity theft insurance provides coverages for the cost of reclaiming your financial identity, such as the costs of making phone calls, making copies, mailing documents, taking time off from work without pay (lost wages) and hiring an attorney.

### **Things to Consider**

- Find out what the policy limits are. Most identity theft insurance policies have policy limits of \$10,000 - \$15,000.
- Find out if there is a deductible. Some policies require you to pay the first \$100 - \$500 of costs incurred for reclaiming your financial identity.
- If the policy covers lost wages, verify what limits apply and what is required to trigger this coverage. Be sure you understand when the policy will reimburse your time away from work.
- If the policy covers legal fees, verify which limits apply and if legal work needs to be pre-approved by the insurer.

### **Before You Buy**

Check to see if your homeowners insurer includes identity theft insurance as part of your homeowners insurance policy, and ask your agent if this extends to your student, living away from your primary residence. If not, you might be able to purchase a stand-alone policy from another insurer, bank or credit card company. If your student is renting an apartment, ask if their renter's insurance covers identity theft, or if it could be added to the policy.

As with any insurance policy, make sure you understand what you are purchasing and compare prices, coverages and deductibles among multiple insurers.

Learn more at the Connecticut Insurance Department Web site [www.ct.gov/cid](http://www.ct.gov/cid) or contact our Consumer Affairs division at 1-800-203-3447.

### **For More Information on Identity Theft**

For more information on how to minimize your student's risk of identity theft, or what to do if either of you becomes a victim, please visit the Federal Trade Commission [Web site](#) or the U.S. Department of Education [Web site](#).

### **ABOUT THE CONNECTICUT INSURANCE DEPARTMENT**

The mission of the Connecticut Insurance Department is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices.

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