

# Victimization by Credit Card Fraud and Identity Theft in Kentucky 2008

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## Acknowledgement

The data used in this presentation were collected as part of the Statistical Analysis Center funding for the state of Kentucky in 2008.

## Sampling

- Sample was developed using a list of Kentucky's voter registration records.
- Randomly selected 5,000 registered voters and administered a mail survey following the Dillman method.

## Mailing Protocol

- Sent a postcard letting recipients know in advance that they would be receiving a survey.
- Sent the survey with a cover letter explaining its purpose and asking for participation.
- Sent a follow-up postcard 2 weeks later.
- Sent a third mailing that included a revised cover letter and another copy of the survey 2 weeks after the postcard.

## The Sample

- 601 of the 5,000 were unreachable by mail.
- The final sample consisted of 1,616 adult respondents from the state of Kentucky.
- 36.6% response rate.

## Survey Instrument

- Questions designed to explore:
  - Criminal victimization experiences
  - Fear of crime
  - Perceptions of risk
  - Opinion of criminal justice agents among a sample of Kentucky residents
- Specific questions targeting identity theft victimization.

## Credit Card Fraud Victimization

*“In the last 12 months, have you:  
Discovered that someone used or attempted to use any of your existing credit cards or credit card numbers without your permission?”*

- **7.5% of the sample (121 respondents) had been victimized by credit card fraud in the past 12 months.**

## Victims of Personal Account Misuse

*“In the last 12 months, have you:  
Discovered that someone used or attempted to use any of your existing accounts (e.g. telephone account, bank account) without your permission?”*

- **4.5% of the sample (73 respondents) had someone misuse their personal accounts in the past 12 months.**

## Identity Theft Victimization

*“In the last 12 months, have you:  
Discovered that someone used or attempted to  
use your personal information without  
permission to obtain NEW credit cards or loans,  
run up debts, open other accounts, or otherwise  
commit theft, fraud, or some other crime?”*

- **4.0% of the sample (64 respondents) had been victimized in the past 12 months.**

## Total Value of Victimization

*“Please estimate the total dollar amount the  
person obtained while misusing your credit  
cards, accounts, and/or personal information.”*

- Less than \$500: 61%
- \$500 to \$1,000: 23%
- \$1,001 to \$10,000: 15%
- More than \$10,000: 1%

## Were Crimes Reported?

*“Did you report this misuse (of credit cards, personal information, etc.) to the police?”*

- **Only one in three victims (37.1%) reported their victimizations to authorities.**

## Discussion

- According to the Federal Trade Commission, Kentucky ranks 42<sup>nd</sup> nationwide according to the rate of identity theft complaints per 100,000 residents.
- Findings are consistent with the national data.
  - National survey conducted by the Federal Trade Commission found that 3.7% of respondents were victims of identity theft in 2005.
  - Median value of theft was \$500.

## Importance

- There are a multitude of impacts of identity theft on its victims including:
  - Financial loss
  - Hours spent recovering from the crime
  - Emotional impact
  - Unexpected secondary effects
    - Increased insurance or credit card fees
    - Inability to get a job
    - Collection agencies refusing to clear records
    - Inability to correct negative reports

## Resources

- Federal Trade Commission:  
<http://www.ftc.gov/bcp/edu/microsites/idtheft/>
- Identity Theft Resource Center:  
<http://www.idtheftcenter.org/>
- Identity Theft Assistance Center:  
<http://www.identitytheftassistance.org/>
- ID Safety (International Association of Chiefs of Police and Bank of America):  
<http://www.idsafety.org/>
- Federal Deposit Insurance Corporation:  
<http://www.fdic.gov/consumers/theft/index.html>

## Questions?

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