

INFORMATION SECURITY NEWSLETTER

JULY 2020

In my previous newsletter I discussed how the U.S. Secret Service issued a warning that Nigerian Cybercriminals were filing for unemployment benefits using information leaked through data breaches. Unfortunately, it has been reported that some individuals received information related to unemployment benefits that they filed, when actually they did not. According to the Federal Trade Commission (FTC), "...imposters are filing claims for unemployment benefits, using the names and personal information of people who have not filed claims. People learn about the fraud when they get a notice from their state unemployment benefits office or their employer about their supposed application for benefits." If you or someone you know receives a notice that you did not file for, that could indicate that someone is misusing your personal information, including your Social Security number and date of birth! Below are some of the steps that can be taken to help protect your finances and credit:

- **Report the fraud to your employer.** The employee should keep a record of who they spoke with and when.
- **Report the fraud to your state unemployment benefits agency.**
 - New York State -
<https://www.careeronestop.org/LocalHelp/UnemploymentBenefits/Find-Unemployment-Benefits.aspx?newsearch=true&location=NY&persist=>
 - If possible, the fraud should be reported online because it will save you time and be easier for the agency to process. Confirmation and/or case number(s) must be saved. Be sure to keep of record of who you spoke with.
- **Visit IdentityTheft.gov to report the fraud to the FTC and get help with the next important recovery steps.** These steps include placing a free, one-year fraud alert on your credit, getting your free credit reports, and closing any fraudulent accounts opened in your name. This website will also assist you by adding a free extended fraud alert or credit freeze to your credit report. By taking these proactive steps, it will make it more difficult for an identity thief to open new accounts in your name.
- **Review your credit reports often.** For the next year, you can check your reports every week for free by visiting AnnualCreditReport.com. This can help you with detecting any new fraud quickly.
- **File a police report.** Victims should file a police report with their local law enforcement department. Even though it has not been defined by the FTC as a step, this police report can help protect the victim for later misuse and potential IRS issues in the coming year(s).



WHY?!

Any unemployment benefits that are paid will usually be deposited into the accounts that are controlled by the imposters, and not the victims. However, there have been cases where the payments are sent to the victim's account, instead. If this happens, the FTC warns that the imposters may call, text, or even e-mail to try to get you to send some or all of the money to them. Remember social engineering and their toolbox? The FTC warns that may impersonate your state unemployment agency and say the money was sent by mistake. **DO NOT GIVE THEM ANY MONEY!** If you do, you could be participating in a money mule scam. So, what do you do with the benefits? The FTC recommends that you report it to your state unemployment agency and ask for instructions. It should be noted that you should NOT respond to any calls, e-mails, or text messages telling you to wire money, send cash, or put the money on gift cards. Your state agency will never tell you to repay the money that way. 10/10 times, that is a scammer.



YOUR EMPLOYEE IS A VICTIM?

Employers should always protest and appeal the benefit charges of an imposter claim. In the event that you have been charged, even though the employee was a victim, it is recommended that employers should request and seek credit for the improper charges. It should be noted that 501(c) Agencies Trust members can also obtain assistance with this. In addition to providing the employee with the steps outlined by the FTC, it is recommended that the employer also inform the employee that:

- Payments of unemployment benefits were distributed;
- The state treasury may be notified of benefits for state income tax purposes; and
- The IRS may be notified of benefits for federal income tax purposes.

As you can see this is a serious matter and it should not be ignored, especially if you received a notice that you did not file for.