

RHR Information Services, Inc.

Select Rent News

Editor's Note



According to Groundhog Phil the spring is near so we can look forward to warmer days to come!

This month we brought you information on the Social Security number and with that more statistics and facts on Identity theft—the fastest growing crime in the United States.

The National Association of Professional Background Screeners Annual Conference is coming up in March. This

year's conference will be held in Austin, Texas and we will share the findings of the conference in the upcoming newsletters.

Screening applicants can be challenging, check out the article on page 3 and do not hesitate to call us to learn more about our screening services.

Please contact me with any questions, concerns and/or suggestions.

Thank you, Jana Castillon

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Social Security Number

The Social Security number is a nine digit number resembling "123-00-1234" that is issued to an individual by the U. S. Social Security Administration. The original purpose of this number was to administer the Social Security program, but it has come to be used as a "primary key" (a *de facto* national ID number) for individuals within the United States.

The nine-digit Social Security

number is divided into three parts. The first three digits are the area number. Prior to 1973, the area number reflected the state in which an individual applied for a Social Security number. Since 1973, the first three digits of a Social Security number are determined by the ZIP code of the mailing address shown on the application for a Social Security number. The middle two digits are the group number. They have no special geo-

graphic or data significance but merely serve to break the number into conveniently sized blocks for orderly issuance. The last four digits are serial numbers. They represent a straight numerical sequence of digits from 0001-9999 within the group. The Social Security Administration was created in 1935 when President Franklin D. Roosevelt signed the Social Security Act into law.

Identity Theft—the nation’s fastest growing crime



During 2006, nearly 8.9 million Americans, or 4 percent of the population, became victims of identity fraud.

-and one that can do incredible damage to your finances, your credit and your peace of mind.

According to the 2006 Identity Fraud Consumer Report:

- During 2006, nearly 8.9 million Americans, or 4 percent of the population, became victims of identity fraud.
- The average fraud amount per victim is \$6,383.
- The average out-of-pocket expense to consumers is \$422.
- The average time to resolve the situation is 40 hours.
- The faster fraud is detected, the lower the fraud amount and consumer costs.
- Forty-seven percent of cases are detected by the victim and self-detection results in lower consumer costs.
- The most common way that identity theft happens is through lost wal-

lets, checkbooks, credit/debit cards.

Businesses accounted for 30 percent of the identity theft:

- Fifteen percent were caused by employee wrongdoing
- Seven percent were fraudulent transactions
- Six percent were data breaches

According to a research conducted by ID Analytics, New York, California, Nevada and Arizona have the highest rates of identity fraud.

The analytical research also shows that the highest metropolitan area rates of identity fraud are in New York, while the states with the lowest rates are Wyoming, Vermont and Montana.

The ten states with the highest rates of identity fraud are:

- New York
- California
- Nevada
- Arizona
- Illinois

- Hawaii
- Oregon
- Michigan
- Washington
- Texas

The ten states with the lowest rates of identity fraud are:

- Wyoming
- Vermont
- Montana
- North Dakota
- New Hampshire
- Ohio
- Maine
- Iowa
- West Virginia
- South Dakota

RHR Information Services, Inc. takes significant measures to protect the rights of individuals as well as our customers.

For more information please contact your RHR Representative.
888-389-4023 or
952-545-3953

Credit offered to illegal residents



Bank of America’s announcement that it is offering credit cards to workers in the United States without a Social Security number drew sharp criticism from advocates of tougher restrictions on undocumented immigrants and concerns from Homeland

Security Department officials about identity theft.

However, the Bank of America credit card plan is merely the latest example in a growing national business trend of granting undocumented immigrant workers checking

accounts, loans, mortgages and credit as their numbers increase.

Some companies have been issuing bank cards and loans to undocumented workers for years, often relying on individual tax identification

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NAPBS 4th Annual Conference

The National Association of Professional Background Screeners (NAPBS) will be holding their 4th annual National Conference in Austin, Texas on March 25th through March 28th, 2007.

According to the NAPBS' mission statement:

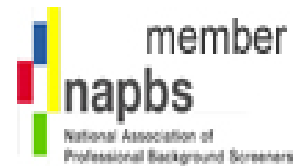
NAPBS exists to promote ethical business practices, promote compliance with the Fair Credit

Reporting Act and foster awareness of issues related to consumer protection and privacy rights within the background screening industry.

The Association provides relevant programs and training aimed at empowering members to better serve clients and to maintain standards of excellence in the background screening industry.

The Association is active in public affairs and provides a unified voice on behalf of members to local, state and national lawmakers about issues impacting the background screening industry.

RHR is a member of the NAPBS and will be following up on the outcome of the conference. Look for updates in the upcoming newsletters.



Tips for Avoiding Fraudulent Applicants

You have to know what to watch out for when you screen your potential applicants. Here are some tips to make sure they are who they say they are:

- Check the application for errors and any information that strikes you as false. Always ask the applicant to clarify suspicious data and engage them in a conversation. Most lies or attempts to hide information, will become apparent.
- Ask for a complete history of residence. If they have moved long distances numerous times in a short period, ask why.
- Always verify their work history including length of employment, position and salary. Then make sure their work history matches up with the residence history.
- Check all forms of identification including: social security card, driver's license, pay stub, W-2 form or a currently utility or phone bill. Compare the name and address from these to what has been provided on the rental application.
- Make sure the signatures on the applicant's ID matches the signatures on your rental application. If it looks significantly different, have the applicant sign their name right in front of you.
- Be aware of suspicious behavior such as the applicant acting nervous or appearing to withhold or modify information. Do they struggle to remember their social security number or address? Do they come across as being pushy about moving in? These should be red flags to you to use your gut instinct.
- Does the credit report come back with numerous inquiries within a short period of time? It's not always true,

but this can be an indicator of someone who has opened fraudulent accounts.

- Don't accept a credit report directly from the applicant – always order a credit report from RHR Information Services as these documents can be altered.
- Applicants that come back with "No Credit Found" should be suspect. Not everyone has credit; but they are a minority (unless they are new to the US or are under 18).

Please contact your RHR Representative should you have any questions or concerns.

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The Right Path to the Right People



Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of employment law, we strongly suggest that you work closely with legal council when making employment related decisions.

Credit offered to illegal residents

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numbers in place of Social Security numbers to process the applications.

For University of Chicago finance professor Raghuram Rajan, the move for Bank of America was a “no brainer”. It helps the financial services sector by expanding the market and it provides needed services that make immigrants’ lives more manageable, he said.

As early as March 2001, Second Federal Savings in Chicago was helping undocumented workers get checking accounts, and has since offered loans to undocumented workers, as well as credit cards, according to Vice President of Operations Gonzalo Gradilla.

In order to determine the credit scores, the bank has had to develop its own system because credit bureaus require Social Security numbers.

As a result, the bank analyzes pay stubs, utility and gas bills and a host of other payment documents to determine credit scores. The mortgages are considered risky, and as a result cannot be sold onto secondary markets, as is often the case.

According to a recent study by the Brookings Institution, immigrants spend \$2 billion a year on check cashing facilities and pay another \$2 billion a year to send remittances, mainly back to relatives. And though not all immigrants are illegal, banks have entered the field knowing there is a vast market to be

tapped.

Immigration advocates say it’s fair, and that people working in this country deserve to be treated with dignity.

Economists, however, say that there are economic contradictions to the programs. Some point to the irony that while it is illegal to hire undocumented workers, it isn’t illegal to give them credit cards.

Excerpt from the Chicago Tribune article

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