Montana Office of Consumer Protection

The Office of Consumer Protection seeks to protect consumers from unlawful, deceptive and unfair practices in the marketplace by educating Montana citizens about consumer issues and enforcing the laws administered by the Office of Consumer Protection.
OCP Responsibilities

• Provide information to public about the Consumer Protection Act;
• Investigate and prosecute unfair or deceptive trade practices involving consumer transactions;
• Participate in enforcement actions with other state and federal law enforcement agencies;
• Educate Montanans on scams and other deceptive business practices.
dojmt.gov/consumer
Top Call Categories (1/1/2017-12/31/2017)

- Financial: 15.7%
- Professional Services: 4.2%
- Vehicle: 6.1%
- Other: 7.5%
- Non Jurisdictional: 5.7%
- Nonprofit Collections Construction
- Cell Phone Internet
- Scam: 48%
2017 Reported Scams

- IRS - 704
- Phishing Scams - 231
- Sweepstakes Lottery - 202
- Grant/Loan - 102
- Computer/Tech Scam - 121
- Overpayment/Craigslist - 45
- Unsolicited Mail/Fax - 19
- Fake Check - 12
- Work at Home Scam - 12
- Spam Scam - 16
- Romance - 14
- Miscellaneous Scams - 1688
4 Common Scam Traits

- A scammer will play off of human emotion;
- Create a time sensitive situation;
- Imply a false since of title;
- Request fast cash
One common method to stop scammers cold:

• A scammer will play off of human emotion.
• Create a time sensitive situation.
• Imply a false sense of title.
• Request fast cash!

JUST HANG UP
THE PHONE ON IMPOSTER SCAMS!
Internal Revenue Service Scam

• A person receives a call from someone claiming to be with Internal Revenue Service/Treasury Department. The person is informed that they owe back taxes and if they do not pay (with immediacy) they will be arrested.
WARNING: Criminal Investigation Division of I.R.S is filing lawsuit against you, for more information call on +1-2026843407 on urgent basis, Otherwise your arrest warrant will be forwarded to your local police department and your property and bank accounts and social benefits will be frozen by government.
Internal Revenue Service Scam

**AVOID THIS SCAM:**

- The IRS will first contact you through the mail.
- The IRS doesn’t threaten to arrest you.
- The IRS doesn’t demand immediate payment.
- The IRS doesn’t require you wire money or make a payment with a prepaid debit/credit card.
- Do not rely on caller ID info to authenticate a caller.
Lottery Sweepstakes Scam

- A person receives a call from an individual claiming to be a lottery/sweepstakes company informing them they have won a prize.
- The person is instructed to pay the taxes and fees upfront on their new “fortune.”
- The person is instructed to wire or load a pre-paid debit card and send it to a specific location.
- Once the money has been sent, it is almost impossible to recover.
Avoid THIS SCAM:

- You have to play and buy a ticket to win.
- Foreign lotteries/sweepstakes are illegal in the USA.
- Legitimate lotteries only sell their lottery products in their own area.
- Never pay taxes or fees upfront on your prize.
Grandparent Scam

- An older person receives a call from an individual claiming to be their grandchild.
- The individual informs the potential victim that they are in financial/legal/medical trouble and need the (grandparent, etc.) to wire them money.
Grandparent Scam

**AVOID THIS SCAM:**

- Never give personal information over the phone call you didn’t originate.**
- Contact family members before trying to resolve the crises.
- *Ask questions that only family members would know.*
Tech Support Scam

• A person receives a call from someone claiming to be with tech support. The scammer informs them that their computer is in jeopardy of a virus. Once the scammer has gained trust they will request remote access to their computer.
Tech Support Scam

• Enroll victim in a fraudulent/worthless computer maintenance or warranty program.
• Ask for credit card information.
• Trick victim into installing malware that could steal sensitive data.
• Direct victim to fraudulent websites.
Tech Support Scam

AVOID THIS SCAM:

• Never provide control of your computer to an unknown third party.
• Online search results might not be the best way to find tech support.
• Never give personal or financial information over a phone call you didn’t originate.
Jury Duty Scam

• The would-be victim receives a fraudulent call from “courthouse/law enforcement.” The caller claims criminal charges have been filed because the person didn’t report for mandated jury duty. To avoid being arrested they need to make a payment over the phone with a prepaid debt card.

• Caller ID may show phone numbers affiliated with law enforcement agencies or courthouses.

• The caller may give name(s) of local law enforcement officers or judges.
Jury Duty Scam

**AVOID THIS SCAM:**

- Jury duty notifications, as well as “no show” summonses, are delivered by mail.
- Law enforcement doesn’t call you on the phone regarding arrest warrants.
- Do not rely on caller ID alone to authenticate a caller.
Romance Scam

Home Improvements

• Don’t be paranoid that all contractors are scammers.

• Be wary of “drive-by” pavers and roofers who you did not invite.
  – “We were in the neighborhood, just finished a job close-by, and we see you’ve got some work that needs done on those _________________.
  – We’ve got plenty of materials left over and we might as well do it while we’re here. We’ll even discount it.”
  – Don’t fall for it.
Choosing a Contractor

#1. Research your project
#2. Get the names of several contractors
#3. Check references
#4. Written bids
#5. Compare bids
#6. Ensure contractor registered w/ SOS

#7. Verify contractor’s liability & workers’ comp insurance.
#8. Demand written contract with specifics/details.
#9. Inspect the project and communicate with the contractor. Changes in writing.
Do-Not-Call List

• Register with the do-not-call registry by calling (888) 382-1222 or visiting the National Do Not Call Registry at: DoNotCall.gov
Who Can Still Call?

- A person or business that has established a business relationship with you during the past 2 years.
- Charities and Nonprofits
- Political parties
- Organizations conducting political polling and opinion research.
Disproportionate Impact on Older People

- Every year, 2.1 million older Americans are victims of abuse, neglect, and/or financial exploitation.
- Every day in the U.S., 10,000 people turn 65.
- 2014 Census: 46 million >65.
- By 2030: ~75+ million. 60% growth in 15 years!!
- Fastest growing population in the U.S.
Why is this stuff so important?

• $2.9 billion dollars lost b/c elder financial abuse in 2016.
• Age 65+ is where the $$ is concentrated.
  – 30 years ago, age 65+ households had 10x wealth of age 35 and under adult households. Today, that gap has jumped to 37x.
• Law enforcement is behind the curve.
Why is this stuff so important?

• Despite wave of increasing reports, we know that these crimes are underreported. Why?
  – Lack of awareness;
  – Fear and shame;
  – Concern that victimization may lead to loss of independence.

• Medical improvements have significantly increased life expectancy, and may continue to do so.

• Experts now know that life expectancy lowers post-fraud/victimization. Studies have shown a profound effect on mortality.
  – We need to look at this as a health issue.
So what’s the good news?

• There is plenty of good news!
• You are here.
• People are waking up to the new reality.
• Education and the formation of proper habits could dramatically reduce these crimes.
  – Establishing good habits is not rocket science.
Easy habits to establish to prevent fraud

• Stay in regular contact with the vulnerable.
• Learn to recognize through teaching:
  – Scammers contact you “out of the blue.”
  – Scammers will claim “it’s urgent!”
  – Scammers ask for personal info.
  – Scammers want money wired or through pre-paid cards.
  – Scammers want secrecy.
  – If it’s too good to be true...
Easy habits to establish to prevent fraud

• SO, teach people that if an uninvited person ever:
  – Pressures them to wire money; prepaid card;
  – Tells them they won prize or a gift but that they need to pay fees and taxes first;
  – Asks them to visit website/download software;
  – Asks for usernames, PWs, account numbers, home address, SSN, personal info;
  – Tells them an offer is only good for today; or
  – Asks to keep a call (or email) a secret.
JUST HANG UP THE PHONE ON IMPOSTER SCAMS!
Chuck’s Simple Scam Tips!

**Simple Tips to Avoid Scammers**

**Scammers Pressure You To Send Money Fast**
Don’t be pressured. Before giving out any money over the phone or computer, stop first to ask family, friends or the Office of Consumer Protection.

**Scammers Find You Before You Find Them**
If you did not initiate a phone call and the person who called you is demanding financial or social security information, DO NOT GIVE IT. Stop first to ask family, friends or the Office of Consumer Protection.

**Scammers Pretend To Be Trustworthy**
Sometimes they pretend to be from the government, like the IRS. Sometimes they pretend to be a family member, or an online friend or romantic partner. It’s OK to have relationships online or over the phone. Just BE CAREFUL about sending money or personal information. Stop first to ask family, friends or the Office of Consumer Protection.

**Scammers Can Fake Caller-ID**
Just because a caller-ID phone number looks legitimate, doesn’t mean it is. Practice these tips even if the caller-ID number looks real.

Take a deep breath. Relax. You do not have to worry that everyone who calls or emails you is a scammer. Just practice the above tips to avoid giving out personal financial information and social security information and you can avoid many scams.

Office of Consumer Protection

1-800-481-6896 | 406-444-4500
contactocp@mt.gov | www.dojmt.gov/consumer
Office of Consumer Protection

• PO Box 200151
  555 Fuller Ave.
  Helena, MT 59601

• (406) 444-4500
  (800) 481-6896

• contactocp@mt.gov
• dojmt.gov/consumer
• Montana Scam Alerts:
  dojmt.gov/consumer/scam-alerts/