



Scams 101: Twenty-Somethings are Not Immune to Fraud

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MADISON – College students never get scammed, right? Wrong. In fact, younger people who reported scams to the Federal Trade Commission (FTC) in 2017 lost money significantly more often than older consumers.

The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) asks college students to study up on common scams, recognize the risks they present, and learn about ways to stay protected.

“College-aged consumers who fell for financial scams in 2017 had a median loss of \$400, which is a significant amount of money for a student who may need to set aside cash for textbooks, electronics, or rent,” said Michelle Reinen, Director of the Bureau of Consumer Protection. “The last thing a student wants to think about is scam protection, but given that there is real money on the line, it can’t be ignored.”

Many young people believe they are safe from scams because they are more web-savvy than older consumers, but con artists still hit victims hardest by phone (70% of 2017 fraud reports to the FTC involved contacts by phone). Younger consumers need to be on the lookout for unexpected contacts and solicitations and should be aware of “imposter scams”: threatening calls that claim to come from government agencies or well-known businesses (often utilities and tech companies) demanding money or personal information. Students may want to consider downloading a call-blocking app on their phone in order to limit these contacts.

Identity theft was another major issue for consumers last year, with credit card, employment, and utility-related fraud driving the majority of these complaints. College-aged consumers may be facing their first credit offers, finding their first jobs, or paying their first utility bills, so they need to be particularly cautious in responding to requests for information relating to these issues. They should start developing a habit of monitoring their credit reports to look for any inconsistent or unexpected entries. A consumer can access one free copy of their credit report from each of the three credit reporting agencies each year by visiting <http://www.annualcreditreport.com>.

Scam education is not about knowing the intricacies of each and every fraudulent operation. Many scams are the same at their core but are packaged in a unique way. The best way to stay protected is to familiarize yourself with some of the main fraud themes and to learn how to spot the common “red flags” that run through these operations.

- DATCP’s [“Ten Tips to Avoid Fraud” fact sheet](#) is an excellent place to start your scam education.
- Discussing news stories about financial scams and the common red flags is an important part of awareness and prevention. Students or family members with questions or concerns about consumer issues should check out the consumer protection and identity theft fact sheets on the DATCP website (<http://datcp.wi.gov>). They can also reach out to DATCP’s Consumer Protection Hotline (800-422-7128; datcp hotline@wi.gov) for guidance.

Some of the red flags that are common among many scam operations include:

- **Requests from strangers for personally identifiable information.** Never share sensitive information in an unsolicited phone call or in response to an unsolicited email or text message.

- **Requests for wire transfers.** Never wire money to someone you don't know.
- **Requests for payment by prepaid debit or gift card.** Be extremely suspicious of requests to make payments using prepaid debit cards or store gift cards, and remember that government agencies and utilities will never request payment by iTunes or Google Play gift cards.
- **Requests for you to cash a check on their behalf.** If a stranger asks you to cash a check and send them back a portion, the check is fake and you will be on the hook for the full amount and any associated fees when the bank discovers the fraud.

For additional information or to file a complaint, visit the Consumer Protection Bureau at <https://datcp.wi.gov> or contact the Consumer Protection Hotline.

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