

January 19, 2007

The Regional Economic Crime Investigation Pilot Project would like to thank the President's Identity Theft Task Force for providing the opportunity to comment on the Interim Recommendations.

We strongly recommend the creation of a National Identity Theft Law Enforcement Center using the model we have developed. Enhancements and expansion of our existing programs would provide the types of support needed by local, state, and federal law enforcement identified by the President's Identity Theft Task Force.

The Regional Economic Crime Investigation Pilot Project is an innovative collaboration between local, state, and federal law enforcement agencies and private sector institutions, organizations, and companies to reduce economic crime through aggressive and coordinated investigation and prosecution.

RECIC Organization and Structure

There are two components to the pilot project: The Regional Economic Crime Investigation Center (RECIC) and the RECIC Foundation. The Center provides a centralized location for local, state, and federal law enforcement agencies to reduce economic crime through coordinated information collection, investigation, prosecution, and public education. The RECIC Foundation supports the mission of the Regional Economic Crime Investigation Center through public education, evaluating effectiveness, and raising funds for the operation of the Center. As a Non-Profit Organization as recognized by the Internal Revenue Service under section 501(c)(3) of the tax code, there is a mechanism for the private sector to fund law enforcement activities combating fraud and identity theft.

Perpetrators of economic crimes typically cross multiple jurisdictional boundaries; therefore, many agencies investigate the same suspects. Because these types of crimes have reached epidemic proportions, most law enforcement agencies lack sufficient resources to respond effectively. For these reasons, law enforcement professionals agree that a multi-jurisdictional collaborative approach will both reduce the occurrence of economic crime and improve the efficiency of investigation and prosecution by eliminating duplication of services and maximizing resources. The RECIC Pilot Project addresses this need through a Center that coordinates information collection, investigations, prosecution, training, and public education.

RECIC Is a Governmental Unit

The RECIC Center is a multi-agency special investigation team consisting of detectives, investigators, and a crime analyst from various local law enforcement agencies. They remain employees of their respective law enforcement agencies. Through an Intergovernmental Agreement (IGA) they are assigned to work at the RECIC Center in order to collaborate for the purposes of investigating and prosecuting white-collar crime. As a result, the team is a multi-agency collaboration. 100% of its members are from public law enforcement agencies.

The investigation takes place in a special unit designated for the work of the RECIC Center. The governing board of the RECIC Center determines when it is practical for the RECIC Center to move to a separate, secure location of its own. The activities of the RECIC Center are temporarily housed in extra space loaned by the Portland Police Bureau. The governing board of the RECIC Center determined that time was of the essence; that excessive delay in coordinating investigations would result in significant cost to victims; and that it was crucial to begin operations in phases. This is why the first phase involves housing the RECIC Center somewhere secure in order to avoid delay.

RECIC's Legal Authority

In 2004 the signed Intergovernmental Agreement (IGA) for law enforcement agencies in Oregon and the Federal Government authorizes the Regional Economic Crime Investigation Center's (RECIC) existence and powers under Oregon Revised Statutes Chapter 190. This agreement also required the creation of the Governing Board to develop the policies, procedures, and operational guidelines for the RECIC Center itself. The Governing Board is made up of Chiefs and Sheriffs from the participating and supporting agencies of the Center. The Board Members are: Chief Sizer, Portland Police Bureau; Chief Kanzler, Milwaukie Police Department; Sheriff

Lucas, Clark County Sheriff's Office; Chief Duncan, Lake Oswego Police Department; Chief Mellgren, Medford Police Department; Sheriff Ramirez, Marion County Sheriff's Office; and Sheriff Giusto, Multnomah County Sheriff's Office.

RECIC - Community Policing at its Best

RECIC involves collaborative partnerships between local, state and federal law enforcement agencies and private sector institutions, organizations and companies that work to identify problems, receive cases, and coordinate investigations. This model incorporates the essence of community policing which holds as its philosophy collaborative problem solving and partnering between the police and the community.

RECIC as a National Strategy

The long-term vision involves establishing Regional Economic Crime Investigation Centers in the Northeast, Southeast, Southwest, and Midwest regions of the country, to provide a comprehensive nationwide public/private sector coordinated response to economic crime. As the Western region becomes operational, it will become a model for other cities and agencies as a national demonstration and training site.

RECIC has established partnerships between the public and private sectors. These partnerships naturally are expanding to include more members of the private sector on the Foundation Board of Directors.

National Database

RECIC worked with the Oregon Department of Justice to develop a database where information can be entered for investigative purposes. This database is operational and is accessible to anyone that is a member of Oregon State Information Network (OSIN). Given this accessibility, members of OSIN have access to Western States Information Network (WSIN) that in turn is part of the Regional Information Sharing Systems (RISS). RISS operates a secure intranet to facilitate law enforcement communications and information sharing nationwide. This national database separates the United States into 6 regions: the Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network (MAGLOCLN), Mid-States Organized Crime Information Center MOCIC), New England State Police Information Network (NESPIN), Rocky Mountain Information Network (RMIN), the Regional Organized Crime Information Center (ROCIC), and the Western States Information Network (WSIN). For example, if you were a State Trooper in Michigan investigating Fraud and Identity Theft, as a member of MAGLOCLN you could access the RECIC database through WSIN for information related to Fraud and Identity Theft. RECIC has established the baseline for the National database.

Public Education and Training

RECIC has in its organizational plan a Public Education and Training component. This component produces fraud tips and will produce public service announcements to be aired over television and radio stations.

RECIC will also act as advocates for victims of identity theft and fraud by explaining to the victim how the system works and assist the victim in the process of reporting the appropriate information and taking protective preventative action.

Public Education and Awareness

2006 RECIC Identity Theft Symposium

The purpose of the RECIC Identity Theft Symposium is to strengthen the proactive response, prevention, and collaboration between the financial institutions, business community, insurance companies, law enforcement, prosecutors, and victims that is required to stop the rapidly increasing crime of identity theft.

This process recognizes that the financial institutions, business community, insurance companies, law enforcement, prosecutors, and victims each play a critical role in combating identity theft, and deserve respect. Each sector has its own priorities for action, and more importantly, each has a slightly different perspective of the issue. The challenge of the Symposium was to develop a set of strategies that would be representative of the priorities of all involved, ensure collaboration among sectors, and become an effective deterrent to identity theft.

The crime of identity theft is legally, socially, and technologically complex. Developing effective responses required addressing a broad range of issues including: legislative and legal reform; new coordinating structure among law enforcement, victim, and private sector organizations; new reporting and data sharing procedures; information security procedures; and victim assistance and public awareness programs.

These combined strategies are effective deterrents to identity theft and will result in an enhanced system providing both safety and security throughout the region.

RECIC Developed Training

RECIC prepares and presents training for law enforcement officers; private sector such as banks, credit unions, insurance companies, and retailers.

Sworn Investigators

RECIC has presented training seminars for sworn investigators and have included a wide range of experts, covering a broad range of interests. Perpetrators of identity theft know that these crimes are low risk and high reward. The need to reverse these to low reward and high risk requires a collaborative effort across the interests of affected constituencies. Law Enforcement agencies must have an on-going public education program and in-service police training.

All Day Training Program

Case Organization

Organizing a case to get the maximum amount of prison time. Usually DA's get 13-24 months for economic crimes, but if Investigators show a broader range of impact to the community perpetrators get more time. Tie in other crimes, i.e. Burg II – office creeps, car theft – rents a car with a stolen credit card is unauthorized use of a motor vehicle. This demonstrates that the perpetrator is not a specialist therefore he/she now gets 50 months.

Jessie Ganananthan, Deputy District Attorney, Multnomah County District Attorney's Office

Cyber Crimes

Back track electronic transactions – especially multiple systems for hot wire accounts. The subpoena wording, which to go to and how to access the compounded multiple link IP addresses.

Presenters: Scott Baugher, and Don Fowler, Special Agents, FBI, Cyber Squad.

Understanding Financial Information

Interpret all the information coming off of checks and an introduction to financial institutional terminology. What kinds of financial documents to look during a search warrant. How to recognize banks internal documents and what is used in backtracking sources of internal theft in the banking system.

Carole Byrum, Wells Fargo and Brenda Wakefield, Washington Mutual

Case Organization

Managing spreadsheets to assist in the prosecution of large cases. Putting together information that is helpful to the District Attorneys prosecuting the cases.

Presenter: Detective John Kuechler, Regional Economic Crime Investigation Center (RECIC)

Oregon States Information Network (OSIN) – Robert King, Oregon Department of Justice

Training on the new OSIN Database for economic crimes that was developed for and by RECIC.

RECIC Training for Financial Institutions

All Day Training

Case Study: Tracing & Identifying Disposition of Illegal Proceeds

This presentation will include: investment fraud, mortgage loan frauds, flips, the new identity law and structuring, and anti-government groups' fraud.

Presenter: Kurt L. Charlton, Supervisory Special Agent, Department of the Treasury, Internal Revenue Service and Robert Salisbury, Special Agent, Department of the Treasury, Internal Revenue Service.

Case Organization

Organizing a case to get the maximum amount of prison time. Showing Investigators ways to tie in other crimes. Writing police reports that meet the District Attorneys and Detectives needs. Organizing spreadsheets to assist in the organization of large cases that is helpful to the District Attorneys prosecuting the cases. Providing disks with the report form that can be filled out and sent electronically.

Presenter: Jessie Gnananathan, Deputy District Attorney, Multnomah County District Attorney’s Office.

Cyber Crimes.

The types of information needed by the FBI to prosecute cases. Websites that can be accessed for information about phishing, IP addresses, and the time lines for grabbing IP addresses.

Presenter: Scott Baugher, Special Agent. FBI, Cyber Squad.

A Discussion of “Best Evidence”.

A discussion of “best evidence” that includes what it means to detectives and the District Attorneys and the impact of Check 21. What information should be included in a police report.

Presenter: Detective John Kuechler, Regional Economic Crime Investigation Center (RECIC)

RECIC Training for Sworn Investigators and Non-Sworn Investigators

This is a training announcement that was distributed electronically to RECIC participants and on law enforcement websites including the Department of Public Standards and Training that certifies all law enforcement officers in Oregon as well as the websites of financial institutions.

Now Offered in SALEM

RECIC

Nigerian Type Fraud – “Train the Trainers”

Presented by representatives of RECIC, Salem Police Department, & the United States Secret Service

In April, RECIC sponsored “Train the Trainers” six training sessions in Portland and the response was so great that they will be offering the training in Salem. If you missed it in Portland, be sure to catch the two trainings in Salem.

Training Overview:

- Recognizing Nigerian type Fraud
- Member Education
- Teller Awareness
- Responding to Nigerian Type Fraud
- Reporting Nigerian Type Fraud
- How to Identify counterfeit currency and US Treasury Checks

Target Audience: Bank and Credit Union investigators, managers, and lead tellers will pick one of the 2½ hour sessions listed below.

Each attendee will receive all the training materials on CD to take back to their bank or credit union to train their respective front line employees.

This training is FREE, but personnel attending MUST be pre-registered.

Please register early to make sure you have a spot.

To register, please contact Linda Hawkins, Program Coordinator, RECIC via phone 503-823-0593 or email at lhawkins@portlandpolice.org. Registrants will need to provide name, title, bank or credit union name, email, and phone number.

**What: RECIC Nigerian Type Fraud
“Train the Trainers”**

**Where: Salem Library/Civic Center
555 Liberty Street SE
Salem, OR**

Sessions (please choose one)

Tuesday, May 23, 2006, 9:00 to 11:30 A.M.

Tuesday, May 23, 2006, 1:00 to 3:30 P.M.

RECIC Case Criterion

- Prolific Offenders
- Multiple Victims
- Multi-jurisdictional
- Vulnerable Populations

RECIC does not have a dollar threshold for accepting cases because initial value thresholds often become larger amounts upon investigation.

RECIC Notable Cases

Carole Mayetta Crane Case

In a collaborative effort the Regional Economic Crime Investigation Center (RECIC), the Washington County Fraud Identity Theft Enforcement Team (FITE), and bank investigators have coordinated an investigation that has linked Carole Mayetta Crane to 177 cases with 76 victims of burglary, theft, forgery, identity theft and other fraud related crimes.

Carole Mayetta Crane is a long-term prolific offender against multiple victims including vulnerable populations. Her criminal activities are multi-jurisdictional having been allegedly perpetrated in four counties, and two states. Nine law enforcement agencies were involved in this investigation including: Beaverton Police Department, Clackamas County Sheriff's Office, Gresham Police Department, Portland Police Bureau, Tualatin Police Department, Washington County Sheriff's Office in Oregon, and the Clark County Sheriff's Office, LaCenter Police Department, and the Vancouver Police Department in Washington.

These cases have been reviewed by the Clark County Prosecutor's Office (Washington State); Multnomah County District Attorney's Office, and the Washington County District Attorney's Office (Oregon State).

The United States Attorneys Office has reviewed and considered all possible charges including racketeering against Carole Mayetta Crane and has accepted this case to prosecute.

Sentencing: Carole Crane pleaded guilty to Bank Fraud in connection with the investigation of an identity theft ring that operated in the Portland, metropolitan area during 2004 and 2005. The government will recommend, and the defendant has agreed to serve, a sentence of 100 months in prison. The other five members of this identity theft ring have pleaded guilty.

Kenneth Emina, Francis J. Osai, and Ari Gokbas Case

A commercial bank investigator who stated that at least five suspects from California had compromised the bank accounts of 17 victims throughout the United States, not including Oregon, contacted RECIC Detectives. The fraud investigator believed that several of the suspects had assumed the identity of commercial bank account holders and those suspects were currently in Portland. Further investigation revealed that the suspects had transferred several hundred thousand dollars from commercial bank accounts and had established bank and brokerage accounts in the Portland Area. Bank fraud Investigators also determined that the suspects were scheduled to withdraw funds from one of the brokerage accounts on the day RECIC detectives were contacted.

RECIC Detectives established surveillance at the investment firm and posed as both employees and customers while waiting for the suspects to arrive. Detectives arrested 37-year-old **Kenneth Emina**, 35-year-old **Francis J. Osai**, and 35-year-old **Ari Gokbas**. All three were charged with one count of **Aggravated Theft in the First Degree** and one count of **Identity Theft**. All three suspects are now facing Federal Prosecution and investigators are coordinating with the on-going investigation with law enforcement in California.

Subsequent investigation has determined that if investigators had not interrupted the suspects, total account exposure would have been more than 1.6 million dollars. The coordinated investigation by Regional Economic Crimes Investigation Center (RECIC) included cooperation with commercial bank investigators, US Postal investigators, and several local law enforcement agencies.

Brent J. Gordon Case

Detectives with the Regional Economics Crime Investigation Center (RECIC) executed a search warrant in Northeast Portland and discovered a large quantity of evidence associated with the crimes of Identity Theft and Forgery. The suspect, identified as 40-year-old Brent J. Gordon, was in custody for an unrelated charge at the time of the warrant.

Investigators seized evidence including computers, over 200 identity profiles, counterfeit currency, forged identification, a large quantity of check stock, and counterfeit business and personal checks.

Investigators analyzed the evidence seized and determined that Gordon is a highly sophisticated and prolific forger who had been attempting to hack into a Portland Area payroll database.

In an effort to educate potential victims, RECIC Detectives displayed evidence seized during the execution of the warrant and ongoing investigation. The evidence was on display in the 14th floor conference room of the Justice Center. RECIC investigators from several different jurisdictions including the Portland Police Bureau, Multnomah County Sheriff's Office, West Linn Police, and Milwaukie Police Department answered questions about the crimes of Identity Theft and Forgery.

Case Statistics – May 2004 – December 2006

Number of cases assigned:	14,900
Number of outside agency referrals:	527
Number of financial institution referrals:	81
Total Cases Assigned:	448
Number of Search Warrants:	8
Number of Custodies:	54
Total Loss on Cases:	\$4,056,125.00
Total Exposure on Cases:	\$7,069,367.00

Internship Program

RECIC has established a partnership within the academic community and provides a meaningful internship opportunities to university students with a law enforcement agency.

Intern Research Project Assignments

- Asset Forfeiture to include research on past cases utilizing money-laundering statutes in fraud prosecutions, to be specific to identity theft.
- Russian Organized Crime identifying scams involving interstate and international theft. Examining the level of information sharing that is available on the Internet about "How to Commit Fraud" (excluding carding portals as this could compromise an investigation).
- The economic impact of fraud and identity theft
- Currently, interns are researching reports in ePPDS and LEDS to see if alleged perpetrators of identity theft are also involved with methamphetamine or are associated with others who use, manufacture, and distribute methamphetamine. This is an important project. The data will be included in grant applications that RECIC submits to expand its funding base.
- In addition, the interns have been assisting the RECIC Crime Analyst with RECIC case data and have received training to enter the case data into the OSIN database.

RECIC Sponsored Legislation

The RECIC Foundation Board of Directors and RECIC partners work with legislators to develop bills directed at the issues of Fraud and ID theft. The obstacles faced by the RECIC detectives, participating and supporting agencies, as well as non-sworn investigators in investigating and prosecuting Fraud and Identity Theft, determine the RECIC legislative agenda.

Oregon has had bi-annual legislative sessions, as well as special sessions in the intervening year.

2005 RECIC Legislation Senate Bill 640

A significant contributor to identity theft in Oregon is a weak system for identification verification prior to issuing a driver's license or identification card.

The Oregon Department of Motor Vehicles (DMV) emphasizes customer service while minimizing the need for customers to provide proof of identity, residency, and ultimately their eligibility to obtain an Oregon driver's license, instruction permit, or identification card.

DMV has consistently issued fraudulent, multiple, or duplicate licenses and identification cards. Procedures lack sufficient safeguards to inadequately verify an individual's identity and residency. Oregon DMV does not require foreign documents to be verified by a Consular Office or even read by an individual fluent in the language of issuance. The use of false addresses, high number of occupants at a single address, and non-residents successfully obtaining Oregon driver's licenses and identification cards indicates major weaknesses in the system.

It appears that DMV is not contacting law enforcement when individuals present fraudulent documents. DMV currently has no law enforcement presence at their facilities. Additionally, a small number of DMV employees actively participate in the issuance of fraudulent driver's licenses and identification cards.

Screening of employees should require adequate background checks regarding criminal history in order to reflect the need to protect the system from fraud and identity theft. This security check must include new hires as well as current DMV employees. Higher levels of supervision may also be necessary to provide appropriate review of materials presented at a field office. DMV should distinguish the substantial difference between native-born issuance and foreign issuance.

These combined problems result in a system of weakened security and integrity for all Oregon identification and the safety and security of all Oregonians. Further, Oregon's compromised identification provide a path which weakens the security of other states' identification

The RECIC Legislative Committee's solution to the DMV identification issue was to sponsor and lobby for Senate Bill 640. Senate Bill 640 required two forms of biometrics for the issuance and renewal of driver's license and identification cards. A \$3.00 fee was legislated to cover the costs of purchasing equipment and establishing and maintaining a database used for collecting and verifying biometric data.

The RECIC Legislative Committee had two goals to make it more difficult to obtain fraudulent Driver's Licenses and Identification cards to commit Identity Theft and Fraud.

First, to make legislative changes to Oregon Revised Statutes and Oregon Administrative Rules relating to the DMV Operating Rules and Procedures.

Second, to implement a system for obtaining fingerprints and facial recognition data in regards to the issuance of Driver's Licenses and Identification cards including the quick and easy identification of internal fraud and identity theft. The Oregon State Legislature passed only the biometrics component of facial recognition in 2005.

RECIC 2007 Oregon State Legislative Agenda

The purpose of the 2007 RECIC Oregon State Legislative Agenda is to increase the effectiveness of the law enforcement response that will create a decline in the occurrence of economic crime and increase the level of safety for all Oregonians.

Amend Senate Bill 640:

Senate Bill 640 was passed by the Oregon State Legislature and signed into law in August 2005. The objective of SB 640 was to make it more difficult to obtain fraudulent Driver's Licenses and Identification Cards to commit identity theft and fraud. To further strengthen the system for identification verification prior to issuing a driver's license or identification card, RECIC is proposing to amend SB 640 to include fingerprints.

Aggravated ID Theft Bill:

This legislative proposal will provide for the new crime of Aggravated ID Theft, as a Class B Felony. It will allow multi-profile and large loss fraud cases to be accurately charged using fewer numbers of counts to fully encompass the fraudulent transactions and each victims' losses. This bill amends ORS 137.717 to provide a 19th month sentence under the same terms as exist for Aggravated Theft in the First Degree and Burglary in the First Degree.

Authorize the Department of Transportation to Seize Documents:

This bill requires employees of the Department of Transportation to seize documentary evidence of criminal activity related to the application and issuance of State of Oregon ID Cards and Driver Licenses. The bill also provides civil immunity for the department and its employees who seize evidence of a crime and report the same to the appropriate law enforcement entity.

Expand Redaction in Criminal Discovery:

This bill will allow the State and law enforcement agencies to withhold the personal information, including SSN, bank account information, address, and other financial and personal identifiers, from criminal discovery provided to the defendant. This bill is aimed at preventing the criminally accused or incarcerated from obtaining personal identification of witnesses and victims that is being used to recreate fraudulent profiles on the victim or witness.

Oregon Vehicle Theft Prevention Board:

This legislative proposal establishes the Oregon Vehicle Theft Prevention Board to reduce vehicle theft through a statewide cooperative effort by supporting law enforcement investigation, prosecution, and public awareness programs.

Auto theft is the #1 property crime in America. Auto thefts have increased steadily in Oregon from 2000 to 2005. Oregon ranked 33rd nationally in 2001 and was ranked 9th in 2004. Auto theft is a statewide problem.

It is an easy crime to commit; the risks are low and the rewards are high. Auto theft is a "gateway" crime, one that is repeatedly connected to methamphetamine and identity theft crimes. Stolen vehicles are being used increasingly as portable meth labs and to steal mail from our neighborhoods. By addressing the auto theft component of this complex problem, law enforcement has a much better chance of prosecuting those criminals threatening our Oregon communities

This bill provides for a \$2.00 per year funding source from insurance comprehensive policies that affords the necessary funding to address the growing problem of auto theft in Oregon. This bill is based on a proven model implemented in the State of Arizona.

Oregon Consumer Fraud Law

Currently in the State of Oregon insurance fraud is not a crime. Oregon is one of only three states with an insurance fraud statute. All of Oregon's neighboring states have insurance fraud statutes in place.

Insurance fraud is pervasive and expensive, placing businesses at risk, and affects the economic vitality of the state. Insurance Fraud is not a victimless crime or one that only affects insurance companies. It affects the consumer directly through increased premiums and in some cases consumers become unknowing participants in large-scale fraud schemes by unscrupulous medical providers, car repair shops, glass repair shops, and other related services.

The Oregon State Office of Insurance Commissioner's Premiums and Loss Ratio Recapitulation reports that the total payouts incurred in all lines of Property and Casualty insurance was \$2,728,911.00. The industry estimates that 10% of claims files may be fraudulent. This is a significant loss to the state's economy.

The passing of a sufficient fraud law would provide law enforcement and prosecutors with more effective tools to address the insurance fraud problem in Oregon.

These combined legislative strategies will result in an enhanced system providing both safety and security for all Oregonians.

Federal Legislation

The only way to slow the exponential growth of fraud and identity theft is through coordination of local efforts. Without federal legislation and appropriate funding to support RECIC and similar task forces, economic crime will go unchecked and will continue to pose a serious threat to the health of our national economy.



Full Bill Text for the 109th Congress

H.R.4244 (Introduced in House)

1 of 1

H.R.4244

Regional ID Theft Task Force Act of 2005 (Introduced in House)

HR 4244 IH

109th CONGRESS
1st Session
H. R. 4244

To provide for grants for regional task forces to more effectively investigate and prosecute identity theft and other economic crimes.

IN THE HOUSE OF REPRESENTATIVES

November 7, 2005

A BILL

To provide for grants for regional task forces to more effectively investigate and prosecute identity theft and other economic crimes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Regional ID Theft Task Force Act of 2005'.

SEC. 2. GRANTS FOR REGIONAL ID THEFT TASK FORCES.

(a) Grants Required- The Attorney General shall make grants to coalitions of Federal, State, and local law enforcement agencies to establish regional task forces to more effectively investigate and prosecute identify theft and other economic crimes, such as check fraud and credit card fraud.

(b) Use of Grant Amounts-

(1) IN GENERAL- Grant amounts received under this section may be used for--

- (A) planning, equipment, training, and costs associated with starting up a regional task force; and
- (B) personnel costs and operating expenses for the regional task force.

(2) LIMITATION- For any fiscal year, not more than 50 percent of amounts received may be used for personnel costs and operating expenses.

(3) SUPPLEMENT NOT SUPPLANT- Grant amounts under this section must supplement rather than supplant other available funding.

(4) MAXIMUM- A regional task force may not receive more than \$3,000,000 for any fiscal year and may not receive funding for more than four fiscal years.

(c) Eligible Task Forces Defined- In this section, the term 'regional task force' means a task force that--

(1) is established by a coalition of Federal, State, and local law enforcement agencies that--

(A) collectively serve a region that has a population of at least 1,000,000 people; and

(B) have in effect an agreement to cooperate in investigating and prosecuting identity theft and other economic crimes; and

(2) includes one or more representatives of financial institutions.

(d) Selection Criteria- In selecting recipients for, and in determining amounts of, grants under this section, the Attorney General shall consider--

(1) the population of the region to be served by the task force;

(2) the degree of cooperation between the law enforcement agencies and the financial institutions involved in the task force; and

(3) the region's rate of economic crimes.

(e) Evaluation and Report to Congress- After three fiscal years for which grants are made under this section, the Attorney General shall carry out an evaluation of the effectiveness of the activities carried out under this section, including an evaluation of the effectiveness of each task force receiving grant amounts under this section and an evaluation of the effectiveness of each distinct practice used by the various task forces. After completing the evaluation, the Attorney General shall submit to Congress a report on the results of the evaluation, which shall include a description of the distinct practices that the Attorney General considers to be the most effective and recommends for adoption by other task forces.

(f) Authorization of Appropriations- There are authorized to be appropriated to carry out this section \$50,000,000 for each fiscal year.

SEC. 3. NATIONAL STANDARDS FOR LOCAL LAW ENFORCEMENT AGENCIES RECEIVING REPORTS OF ECONOMIC CRIMES.

(a) Local Agencies to Accept All Reports of Local Victims- Whenever a local law enforcement agency receives a report that a person residing in the jurisdiction of the agency is the victim of an economic crime, the fact that the crime occurred or may have occurred outside the jurisdiction of the agency may not be used as a basis to decline to accept the report.

(b) Standard Police Report Form- The Attorney General, in consultation with the Federal Trade Commission, shall develop and make available a standard form that may be used by a local law enforcement agency in receiving a report that a person is the victim of an economic crime.

(c) Duties of Attorney General- The Attorney General shall prescribe regulations to implement this section.

The Regional Economic Crime Investigation Center offers a National Strategy to combat Fraud and Identity Theft. RECIC has the mechanisms in place; the plan to action solidified, and the four major points, partnership, national database, education and training, and a solution to funding.

RECIC is a proactive problem-solving program that will result in establishing a holistic, system-wide response to economic crimes. The Regional Economic Crime Investigation Center is an innovative, collaborative, community-based approach to addressing economic crime in the Western Region and serves as a model for law enforcement agencies around the country.

We hope that this national strategy will assist federal, state, and local law enforcement and related professions to develop stronger and more effective means to deal with this mounting national crisis.

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