

The fraud unit of Department of Motor Vehicles (DMV) has initiated 41 cases for investigation of fraud or identity theft since launching the state's new driver license system on July 22.

"Based on a fraud review the department conducted in 2007, it was clear that we needed to adopt the latest technologies that would help us mitigate fraud," said DMV Director Beverly Neth.

"I want to thank Governor Heineman and the Legislature for supporting the new system and the process changes," she said.

The DMV's new driver license system uses facial recognition technology to identify potential fraud suspects. The system is capable of conducting a one to one review of images at the time of application and a review of every image in the driver license system each night. The DMV has approximately 1.5 million records in its database.

Neth said, "As part of the application process, DMV licensing staff have the opportunity to review each applicant's photo and compare it against the most recent image stored under that name. Each evening we compare the images taken that day against our entire database.

"We are encountering fraud in both instances. The technology we've installed is a powerful tool that can help combat fraud and identity theft in Nebraska," she said.

So far, the reviews done at the time of application have involved the victim of identity theft as that individual applies for a new license. Most cases involve a younger sibling or acquaintance who has stolen the necessary identity documents to assume the victim's identity.

In most instances, the fraud was committed by the younger person in order to purchase items such as alcohol. The youngest person to commit fraud to date is 16 years old.

The nightly review is netting individuals who are engaged in financial crimes or other felony activities.

One instance involved an individual using three different social security numbers, including one that belongs to a deceased individual.

In another instance, when the DMV Fraud Unit contacted the identity theft victim she informed the investigator that the person who stole her identity has racked up a \$100,000 bill for unpaid taxes with the IRS. The DMV is working with the victim as part of the investigation.

The new requirement that applicants provide proof of residence is resulting in increased activity for the DMV Fraud Unit, as driver licenses and identification cards marked as undeliverable by the postal service are returned to the Nebraska DMV.

Neth said, "We are seeing five to 10 bogus addresses each week. As a result, we're running criminal histories on these applicants and finding many that have outstanding arrest warrants or who are on probation or parole. In those instances we are making contact with probation or parole officers whenever possible to report the fraud."

"I know Nebraskans are spending more time at the DMV to get their new license than they are used to. We are working to reduce the wait to the greatest extent possible, and the tradeoff is that the DMV can now do more to help stop fraud and reduce the chance of Nebraskans becoming victims of identity theft," she added.

Nebraskans are encouraged to check the DMV website, <http://www.dmv.ne.gov>, for a list of accepted proof of resident documents and other materials needed before applying for a new license at one of the DMV offices.