



## INSPECTOR GENERAL REPORT

2005-01-0039

August 4, 2006

### BMV VEHICLE REGISTRATION FRAUD

*Inspector General David O. Thomas, after an investigation by Special Agent Darrell Boehmer, reports as follows:*

This investigation involves false social security numbers being given by persons applying for vehicle titles with the Indiana Bureau of Motor Vehicles (BMV). This fraud may be prevalent throughout the state because there was previously no method to detect the false social security numbers at the time of the applications.

#### I.

The Office of Inspector General (OIG) investigation commenced from a request from Vermillion County Prosecuting Attorney Nina Alexander. She reported on January 15, 2005, that multiple persons were coming through her criminal justice proceedings with false identifications which she traced to the

Montgomery County BMV branch.

On August 2, 2005, Special Agent Darrell Boehmer met with the branch manager at the Crawfordsville BMV Branch. The branch manager confirmed that several persons had been giving false social security numbers when applying for titles to vehicles. She stated the last occurrence had been as recently as July 27, 2005, when she provided customer service to a male and his companion. The applicant produced a counterfeit Indiana driver's license and this information was given to the branch manager who then called the Crawfordsville Police Department.

An officer with the Crawfordsville Police Department responded to the call and took both individuals to the police department for further investigation. The branch manager also advised that the social security number used by the applicant was also being used by other individuals.

Special Agent Boehmer expanded the investigation by requesting applications for titles for other transactions at this branch and multiple documents were provided.

On September 22, 2005, Special Agent Boehmer contacted an employee of the United States Inspector General of the Social Security Administration. He explained the investigation and asked if she would review the social security numbers he had obtained from the branch. She advised that at least five of the social security numbers were either fabricated or being used by multiple persons.

An attempt was made to interview these five persons whose addresses had been identified in Montgomery County. However, none of these persons resided

at any of the addresses that had been provided to the BMV by these applicants.

Indiana law mandates that certain information must be given by persons seeking a title. IC 9-17-2-2. This includes any information that may be required by the Bureau of Motor Vehicles. The Bureau of Motor Vehicles has determined that a social security number must be given when applying for titles to vehicles. The purpose of this law is to avoid fraud and to promote accurate titles for vehicles.

This information was forwarded to the Montgomery County Prosecuting Attorney's Office due to the criminal offenses of forgery being committed and as required by the OIG statute to report evidence of criminal activity. Prosecution was reviewed and declined, and the OIG also declined prosecution for the same reasons. Prosecution resources should normally be maintained for persons who can be located, identified and interviewed. One reason for this is that suspects could be the victims of identity theft.

Special Agent Boehmer also discussed these findings with BMV internal investigators and the BMV General Counsel. All confirmed that this is an ongoing and statewide problem at BMV branches across Indiana. The BMV also advised that they are addressing this challenge with a new computer system. This new program will allow staff at the BMV branches to do an immediate review of the social security number submitted on the application for accuracy. If false, the application can be immediately refused and law enforcement advised with the applicant in the office.

II.

The OIG makes the following findings:

1.

The submission of false social security numbers by persons seeking BMV titles may be widespread in Indiana.

2.

The federal Social Security Administration laws prohibit access to their data for immediate review of social security numbers submitted by applicants.

3.

The BMV is addressing this problem with the installation of a computer database system, which may help curtail this fraud.

This case having been submitted for prosecutorial review, no specific recommendations will be made at this time.

Dated this 4<sup>th</sup> day of August, 2006.

  
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David O. Thomas, Inspector General