Check Fraud Talking Points
Illinois Bankers Association
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- Check fraud is on the rise across Illinois, with federal data showing at least 23,949 Illinois consumers and businesses falling victim in 2022 – a whopping 86.36 percent increase from 2021, and a 346.8 percent increase over the last decade (since 2014).
- It's estimated the average loss per check fraud incident is $2,412.
- Criminals use multiple schemes to access consumers' hard-earned money.
  - One type of fraud that's become increasingly frequent is called "check washing"
    - Check washing happens when a criminal steals a check and uses chemicals to remove the ink, changing payee names and dollar amounts and then cashing them for their own benefit.
    - Checks sent via the mail are particularly vulnerable, with reports of mailbox keys being stolen.
  - Another type of check fraud consumers should be on the lookout for is the use of fake checks, which are often used to perpetrate overpayment scams.
    - Overpayment scams often target consumers selling cars or other valuable items through classified ads or online auction sites.
    - Check overpayment scams begin when a scam artist replies to the classified ad or auction posting and offers to purchase the item for sale with a check, then comes up with a reason for writing the check for more than the purchase price for the item.
    - The scammer asks the consumer to wire back the difference after the check is deposited. Later, the scammer's check bounces, leaving the consumer liable for the entire amount.
- Illinois banks and financial institutions certainly share in the frustration felt by our customers who are impacted by the criminals carrying out these checking scams.
- We understand how disruptive this fraud can be for consumers and small businesses.
- Our member banks are working diligently to ensure these crimes are properly reported to law enforcement officials and that our customers are made whole as quickly as possible.
- If you suspect you have fallen victim to check fraud, we urge you to contact your bank immediately and report the incident to local law enforcement authorities.
- It's important consumers and businesses remain diligent and take steps to protect themselves and their bank accounts.

This includes:

- Ordering checks from your bank or another reputable source
- Properly disposing of checks
- Safeguarding checks and account information
- Tracking and monitoring checking accounts regularly
- Using long-lasting black ink that is more difficult to alter

- Filling checks out properly and completely, avoiding abbreviations
- Imprinting digital checks with a bold font that is difficult to alter
- Making payments online from a secure connection
- Bringing mail into the post office instead of dropping it in post boxes
- Retrieving mail as soon as possible and avoiding leaving mail in mailboxes overnight
- Not accepting a check for more than your selling price
- Refusing to wire back funds to a buyer – a legitimate buyer will not pressure you to do so, and there is limited recourse if there is a problem with a wire transfer