COMMON SENSE INSTITUTE

AUGUST 2025

THE IMPACT OF FINANCIAL FRAUD IN OREGON

AUTHOR: THOMAS YOUNG, PH.D.

ABOUT THE AUTHOR

Thomas Young, Ph.D. is a Senior Economist with CSI. He brings a wealth of experience at the touch points of economics including economic forecasting, econometrics, public finance, and survey research. He received his Ph.D. in Industrial Organization, Econometrics, and Finance from the University of Utah.

ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Oregon's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Oregonians. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Oregonians are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the Oregon economy and individual opportunity.

TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Oregonians are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

TABLE OF CONTENTS

INTRODUCTION

Financial fraud is on the rise nationally. Across all 50 states and D.C., the Federal Bureau of Investigation's (FBI) Internet Crime report tracked 859,532 fraud claims in 2024. These claims resulted in $16.6 billion in financial loss, up 33% from 2023. A separate source, the Federal Trade Commission's (FTC) Consumer Sentinel Network, reported 2.6 million fraud cases in 2024, of which 38% involved losing money. According to this source, citizens reported losing $12 billion to fraud, up $2 billion over 2023. **This study seeks to answer the pressing question: What is the extent of financial fraud in Oregon and its impact on the lives of everyday Oregonians and the overall health of the state's economy?**

Based upon cyber-enabled crime statistics from the FBI, among states Oregon ranks 26th best on total losses from cyber-enabled crime; 26th best in cyber-enabled crime per 100,000 citizens; 28th best for complaints filed by individuals 60+; and 28th best for cryptocurrency losses by state.[1] The FTC Consumer Sentinel Network figures on fraud, identity theft, and telemarketing suggests Oregon is performing similar to rankings reported by the FBI. Oregon has the 27th lowest rate of fraud and the 31st lowest rate of identity theft by their metrics.[2].

According to the Federal Trade Commission, reported fraud cases are up 3,336 from 2022 through 2024.[3] Financial fraud is also costly, with the FTC reporting the total financial loss of financial fraud at $124 million statewide in 2024, up 285% since 2020.[4] The FBI reported $144 million in losses from cyber-enabled crime in Oregon, up 276% since 2020.[5] These are just the reported figures. Unreported loss from financial fraud is higher.

In Oregon and across the nation, fraudulent financial activity is becoming increasingly sophisticated, encompassing a broad array of schemes such as identity theft, phishing, wire fraud, investment scams, and elder financial abuse. As the digital economy expands and cybercriminal tactics evolve, Oregonians face heightened risks from fraud schemes that attempt to exploit personal vulnerabilities, holes in financial systems, social media platforms, payment technologies, and personal data security. Fraudulent activities result not only in direct financial losses for individuals, businesses, and financial institutions, but they also have ripple effects throughout the state's economy—affecting prices, consumer behavior, public safety expenditures, and overall economic productivity.

This report presents evidence of the economic consequences of financial fraud, covering both the direct and indirect costs of fraudulent activity by examining incident data, economic modeling, and a fraud case study. By analyzing trends in fraud—including the types, methods, and demographic factors associated with its presence—it aims to provide policymakers, businesses, and consumers with actionable insights into the economic stakes of financial fraud.

KEY FINDINGS

- For the state of Oregon, CSI estimates in 2025 the losses from financial fraud include—
  - An estimated $201 million in direct, reported losses.
  - An estimated $1.2 billion in unreported losses.
- CSI estimates *reported* fraud alone will have the following impact on Oregon's economy in 2025:
  - A $658 million reduction in state GDP
  - A $545 million reduction in statewide personal income
  - A loss of approximately 4,400 jobs
- Estimates on the reporting of financial fraud suggest formal reporting of financial fraud may be quite low, with one estimate putting the figure at 14%.
- CSI estimates *all* financial fraud, *reported and unreported,* will have the following impact on Oregon's economy in 2025:
  - A $3.9 billion reduction in state GDP
  - A $2.6 billion reduction in statewide personal income
  - A loss of approximately 15,000 jobs
- The state's General Fund will lose an estimated $66 million in tax revenue this year due to financial fraud.
- Financial fraud has wide-ranging economic implications. The impact is felt across consumer spending, interest rates, available loanable funds, capital investment, government spending and taxing, profit, and community trust.
- Oregon's incidence of financial fraud is around the middle of the states at 23rd lowest, at 1,090 reported incidents per 100,000 residents, lower than 24th ranked Ohio at 1,115 and just above 22nd ranked Rhode Island at 1,075. The states with the highest incidence of financial fraud are Florida and Hawaii, with rates 98% and 95% higher.

BACKGROUND

Financial fraud comes in many shapes and sizes, but transactions have two main forms: verified (customer initiated and/or approved) and unverified (not initiated and/or confirmed by customer). Verified fraud typically involves deception or coercion that leads the customer to authorize the transaction, such as in scams or social engineering. Unverified fraud, on the other hand, involves unauthorized access, like stolen cards or account credentials used without the customer's knowledge or consent. Specifically, financial fraud includes but is not limited to the following types:

Grandparent Scam: Thieves create a story that compels grandparents to send money to help a grandchild out of a bad situation, often being told "please don't tell mom."

Romance Scams: Fraudsters build fake romantic relationships to emotionally manipulate victims into sending money or personal information.

Wire Transfer Fraud: Scammers trick victims into sending money via wire transfer, often by posing as a trusted contact or through scams like romance frauds.

Investment Fraud: Scammers lure victims with fake or misleading investment opportunities (e.g., crypto scams, Ponzi schemes, pump-and-dump stock schemes, real estate fraud, fake private placements, high-yield investment programs, etc.) promising high returns, then s teal the money.

Gift Card Scams: Victims are tricked into buying and sending gift card details to scammers, who often pretend to be authority figures or loved ones.

Fake Prize Scams: Victims are told they've won a prize but must pay a fee or provide personal information to claim it — which the scammer uses for fraud.

Imposter Scams: Scammers impersonate government, business, and other officials or agencies (e.g., Internal Revenue Service or the Social Security Administration) to threaten or persuade victims into sending money or sensitive info.

Elder Financial Fraud: Targeted scams against older adults, often involving deception, coercion, or exploitation to steal money or assets.

Fake Distress: Fraudsters pretend to be a relative or friend in urgent need of money due to a false emergency.

Check Fraud: The use of fake, altered, or stolen checks to unlawfully spend]another person's financial resources.

Identity Fraud: This type of fraud occurs when someone uses another person's personal identifying information (like name, Social Security number, or bank account information) to commit financial crimes.

Credit Card Fraud: Unauthorized use of someone's credit card information to make purchases or withdraw funds. Credit card fraud can also include individuals who fraudulently report a transaction as fraud when they in fact did use their own card to make a transaction.

Debit Card Fraud: Illicit use of a person's debit card or account number to withdraw money or make transactions without permission.

Loan Fraud: Fraudulently obtaining a loan through misrepresentation of personal, business, or financial information, dedicating loan proceeds in a fraudulent manner, or using stolen identities to secure loans.

Account Takeover Fraud: A type of identity fraud where a criminal gains unauthorized access to and control of a person's financial account to steal money or personal data.

Phishing and Social Engineering Fraud: When criminals impersonate legitimate entities via emails, phone calls, or fake websites to trick unsuspecting individuals into revealing sensitive account credentials or personal data.

Installation of Malware: Malicious software is secretly installed on a device to steal financial data, spy on activities, or gain control over financial accounts.

Ecommerce Fraud: Criminals use stolen payment information to make purchases online or set up fake online stores to steal customer payments and data.

Social Media Fraud: Scams conducted through social platforms, such as selling stolen or nonexistent goods on social media marketplaces, fake giveaways, impersonation accounts, or phishing links, to steal money or information.

Payment App Fraud: Scams involving digital payment apps (e.g., Zelle, Venmo, Cash App) where fraudsters trick users into sending money or gaining access to their financial accounts.

ATM Fraud: Illegitimate access to a person's bank account via an ATM, often through stolen cards, cloned cards, or PIN theft. This can also include "jackpotting," which often involves introducing malware into an ATM which causes it to dispense funds inappropriately to the scammer.

Skimming: The use of a hidden device (skimmer) placed on ATMs or card readers to steal card information during a legitimate transaction.

Card Trapping: A device is inserted into an ATM to capture a card's information; criminals then clone the card's information for use later.

Money Laundering: The process of disguising illegally obtained funds to make them appear legitimate, often through complex financial transactions.

Forgery: The false making or altering of a document (e.g., signatures, checks) with intent to defraud.

Counterfeit: The production or use of fake financial instruments like currency, checks, or cards to deceive and steal money.

Check Kiting: Exploiting the float time between banks by writing checks from one account with insufficient funds to another, to create the illusion of funds.

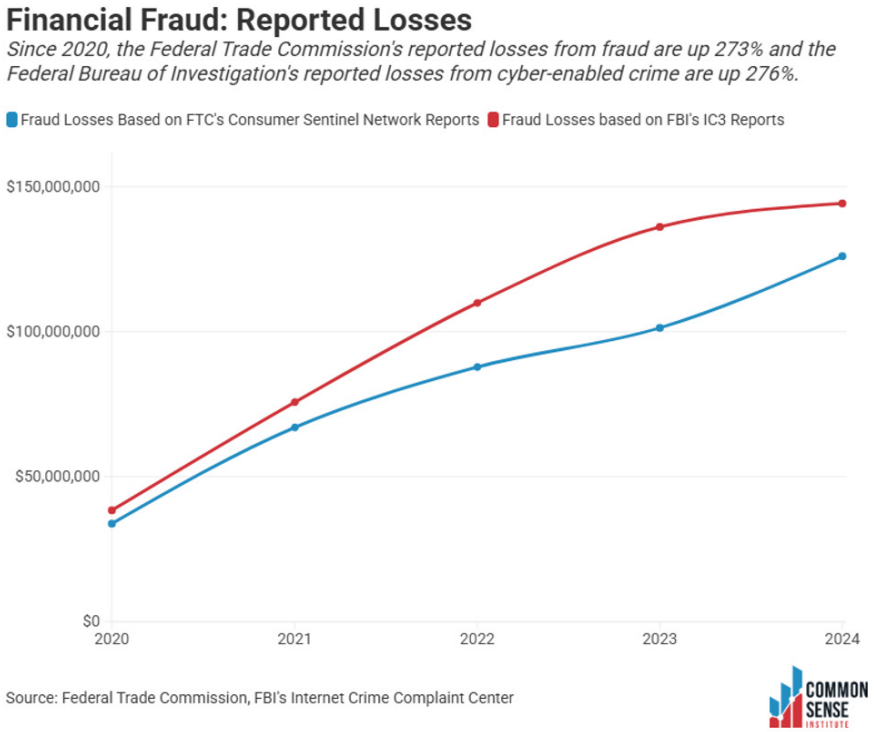
Alteration: Illegally changing the details on a legitimate financial document, such as a check or invoice, to increase payment or redirect funds.

Oregon sees thousands of cases of financial fraud annually

This report focuses on the broader economic impact of all types of financial fraud, including the types of fraud listed in the "Background" section. Figure 1 shows the reported losses due to fraud from 2020 through 2024 based on information provided by the Federal Trade Commission (FTC) and the Federal Bureau of Investigation (FBI).

Based on both FBI and FTC data, financial fraud in Oregon increased every year from 2020 to 2024. Direct losses tracked in the FTC's Consumer Sentinel Network reports record losses increasing from $33.8 million in 2020 to $126.0 million in 2024. Thus, since 2020 the FBI's reported losses from cyber-enabled crime are up 276%, and the FTC's reported losses are up 273%. These data do not encompass all financial fraud that occurred in the state over the period, as many cases go unreported, but they are indicative of a broader trend of rising fraud cases. The subsection of this report entitled "Unreported Financial Fraud" under the "Data and Analysis" section goes into more depth on fraud not reported in these data sets.

FIGURE 1. REPORTED LOSSES FROM FINANCIAL FRAUD, OREGON, 2020 THROUGH 2024



THE COST OF FINANCIAL FRAUD

The cost of financial fraud comprises numerous potential costs, including but not limited to the following tangible and intangible costs:

1. **Property/Asset Loss:** The actual financial or asset loss resulting from fraud — stolen funds, emptied bank accounts, fraudulent loans, or lost valuables due to scams or theft.
2. **Productivity Impact:** Time and energy spent dealing with fraud (filing reports, fixing credit, replacing IDs, contacting banks) can cause absenteeism or distraction at work, affecting individual and overall workplace productivity.
3. **Quality of Life:** The aftermath of financial fraud can lead to long-term lifestyle changes – reduced financial stability, inability to pay for basic living expenses (housing, food), isolation, and loss of trust in institutions or people.
4. **Public Services:** Government and public-sector resources are consumed during investigations, fraud prevention efforts, consumer support services, and law enforcement actions. Fraud increases strain on social services, especially in cases like elder abuse.
5. **Mental Health Costs:** Fraud can severely affect a person's psychological well-being. Victims often report depression, anxiety, shame, and distrust of others. In severe cases, it can lead to long-term emotional trauma,PTSD, or even suicide.
6. **Medical Costs:** Victims may experience health problems due to stress, anxiety, or trauma caused by fraud. This can lead to increased doctor visits, medication use, or even hospital stays for issues like high blood pressure, panic attacks, or sleep disorders.
7. **Adjudication and Sanctioning:** Legal and judicial systems incur costs for prosecuting fraud cases. This includes law enforcement time, court expenses, public defenders or legal aid, and incarceration or rehabilitation programs for offenders.

Costs vary widely depending on type of financial fraud and how many victims are involved.

Oregon saw over 30,000 cases of financial fraud in 2024

Nationally, based upon information released by the FTC from the Consumer Sentinel Network, in 2024 there were 2.6 million fraud reports covering $12 billion in fraud losses.[6] Of these reports, 38% involved a financial loss with a median loss of $499 and an average loss of $4,859.[7] Using reported information from the FTC, Oregon residents experienced $126 million in losses across 30,266 reported frauds in 2024.[8]

No governmental agency—the FTC, the FBI, or the Oregon Department of Public Safety—releases complete information on all types of financial fraud, including the crimes listed in the "Background" section. Figure 2 depicts the reported or estimated counts of financial fraud in 2024. Overall, the most common type of fraud is Identity Fraud followed by Imposter Scams, which are Grandparent Scams, Fake Distress, and other types of illegal misrepresentation for financial gain.

FIGURE 2. REPORTED OR ESTIMATED COUNTS OF SELECTED FINANCIAL FRAUD TYPES.

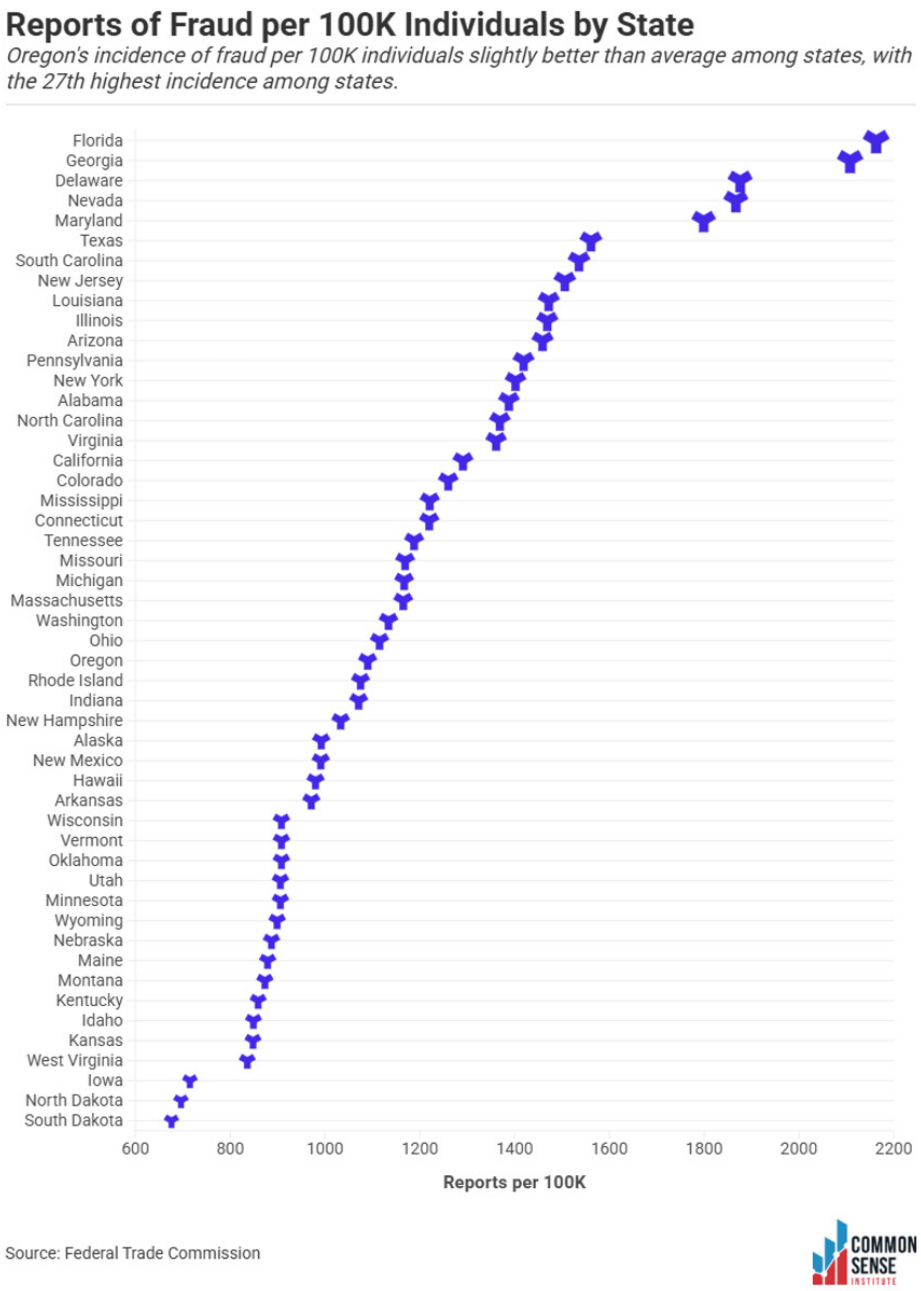
Estimated Cases in Oregon Listed in the Background Section, 2024

Type of scam	Number of cases in Oregon
Identity Fraud	6,470
Imposter Scams (Business, Government, Family & Friend)	5,826
Grandparent Scam	Under imposter scam
Fake Distress	Under imposter scam
Ecommerce Fraud	4,669
ATM Fraud	2,858
Counterfeit/Forgery	2,789
Phishing and Social Engineering Fraud	2,430
Credit Card Fraud	2,217
Fake Prize Scams (Prizes, Sweepstakes & Lotteries)	1,664
Installation of Malware	1,507
Elder Financial Fraud	1,269
Debit Card Fraud	1,156
Payment App Fraud	1,138
Loan Fraud (Counterfeit/forgery)	1,053
Investment Fraud	1,034
Wire Transfer Fraud	978
Romance Scam	778
Gift Card Scams	517
Check Fraud	188
Social Media Fraud	156
Account Takeover Fraud	Not individually reported
Card Trapping	Not individually reported
Money Laundering	Not individually reported
Skimming	Not individually reported
Check Kiting	Not individually reported
Alteration	Not individually reported

Source: Federal Trade Commission, Federal Bureau of Investigation, Oregon Uniform Crime Reporting Data

Generally, financial fraud in Oregon is a little lower than the average across states. Using FTC accounting, Oregon had the 23rd lowest fraud incidence rate among all states (Figure 3) at 1,090 per 100,000 residents.[9] The state just above Oregon with a higher financial fraud rate is Ohio at 1,115 per 100,000 residents. Just below Oregon is Rhode Island at 1,075 per 100,000 residents. Oregon performs much better than the top two financial fraud states – Florida and Georgia. Reports of fraud per 100,000 residents are 98% and 98% higher in these states compared to Oregon.

FIGURE 3: REPORTING OF FRAUD PER 100,000 INDIVIDUALS BY STATE -2024



Source: Federal Trade Commission

Older Oregonians experience the greatest losses from fraud

In Oregon, based upon the FTC's age group breakdown of reported fraud, 29% of reported cases involved financial loss greater than $0, with the average loss of $3,299 in 2024 (Figure 4).

The average loss for incidents of fraud in Oregon is lowest for the three age groups under 40, with average losses of $1,147 (19 and under), $958 (20-29 age group), and $1,494 (30-39 age group). Oregon fraud victims aged 80 and over experience an average loss of $5,314—a much larger loss than the $958 average loss for a 20- to 29-year-old.

Interestingly, of the few younger people aged 20 to 29 who reported losing money to fraud, they reported a dollar loss at a higher rate (42%) compared to every other reported age bracket.[10] In fact, the percentage of fraud reports involving a financial loss generally declines as one moves through the age groups, reaching a low of just 18% for the 80 and over age group. This should not be confused with prevalence. The younger

FIGURE 4. AVERAGE FRAUD AMOUNT BY AGE GROUP, OREGON, 2024

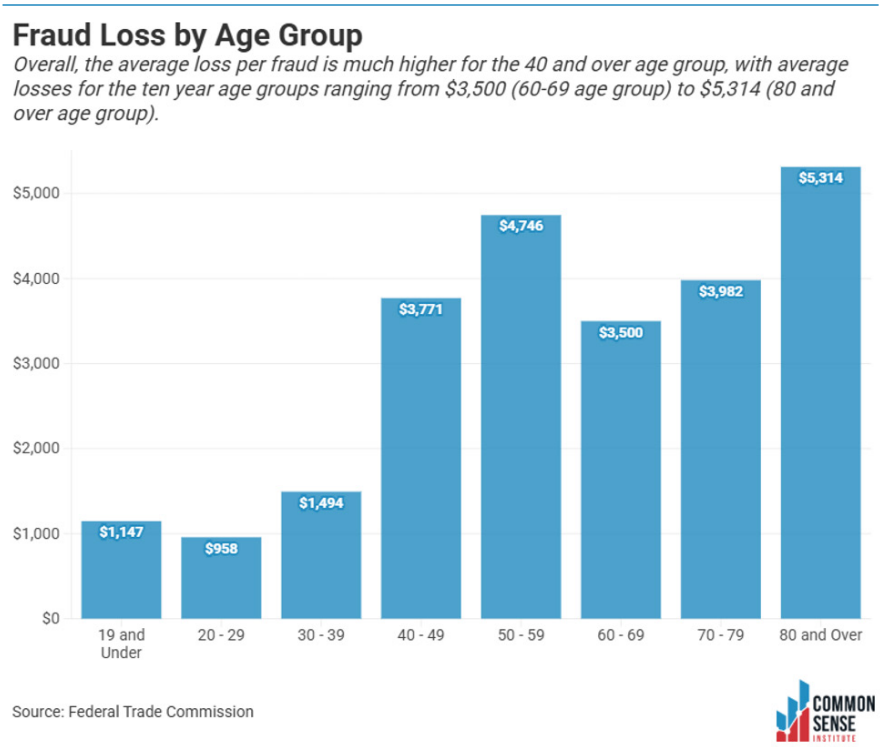
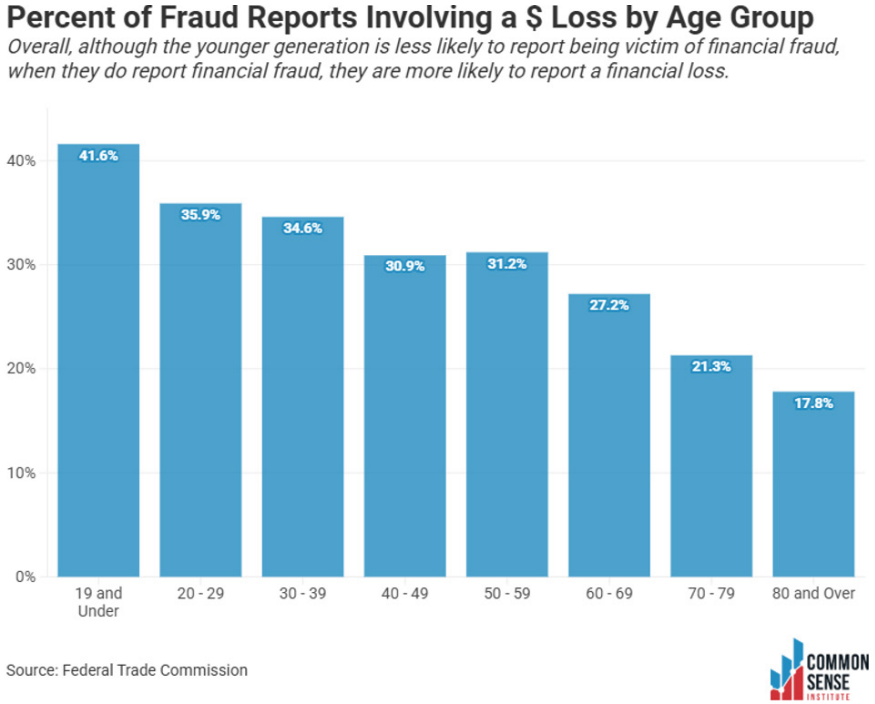


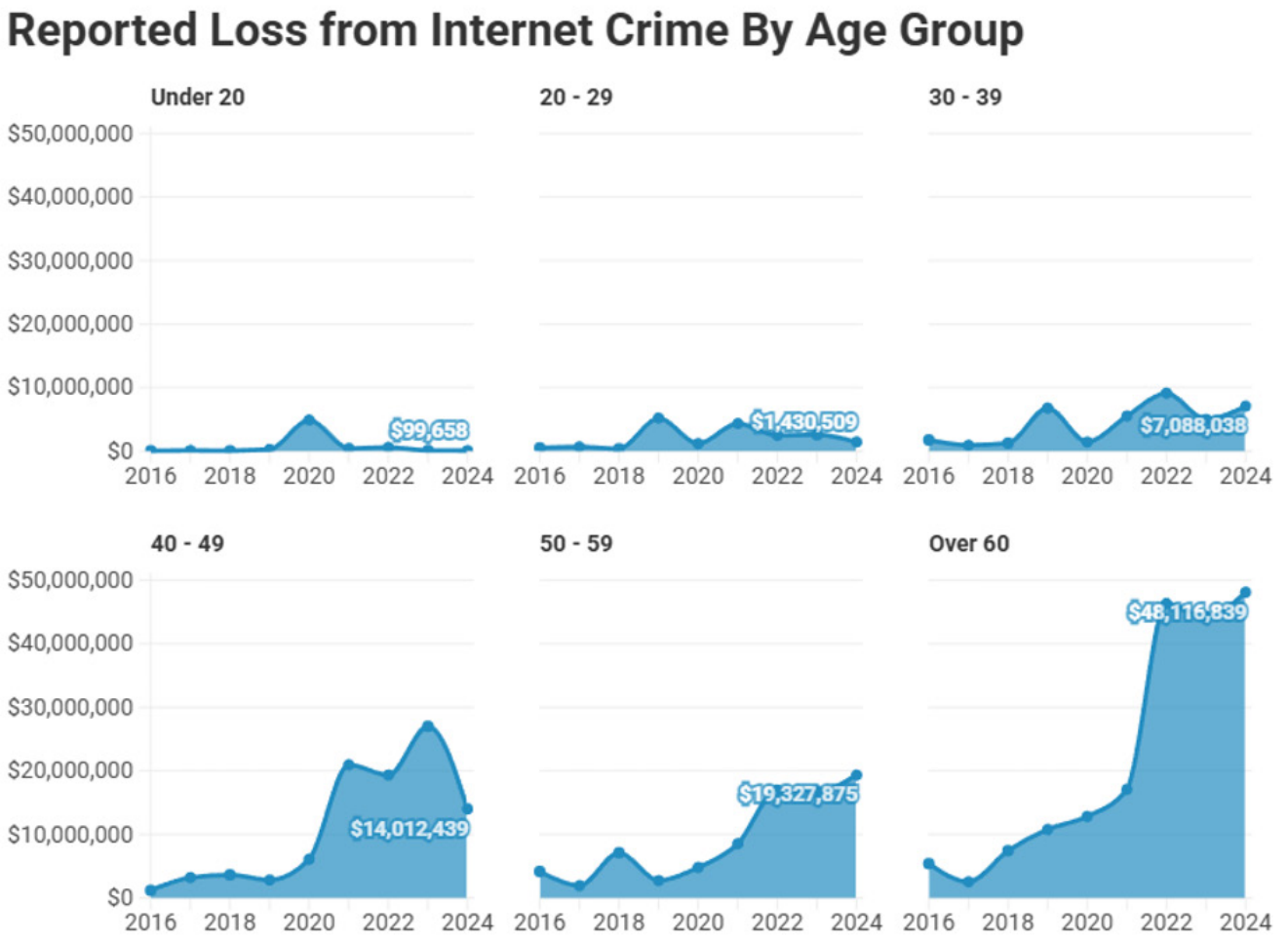
FIGURE 5. PERCENTAGE OF CASES INVOLVING A FINANCIAL LOSS BY AGE GROUP, OREGON, 2024



generation (for the 20 to 29 age group, the reporting prevalence is 0.03%) is much less likely to report being victim of a financial fraud compared to the 60 to 69 age group (prevalence is 0.61%) or the 70 to 79 age group (prevalence is 0.63%). (Figure 5). Overall, older Oregonians are more likely to report being victims of financial fraud and incur higher dollar losses, although when the younger generation does report financial fraud, their reports tend to involve dollar losses at higher rates.

Figures 5 and 6 illustrate the demographic breakdown of financial fraud according to statistics gathered by the FTCs Consumer Sentinel Network. As mentioned previously, the FBI also reports figures on financial fraud through its Internet Crime Report (ICC).[11] Using information from the ICC, the demographic breakdown of internet-based financial fraud in Oregon is also heavily centered on the older generation (Figure 6) with more than 53% of reported loss in 2024 coming from individuals aged 60 and over, up from a low of 30% in 2022. The two age groups under 30-years-old consistently account for only a small fraction of the reported financial loss—0.1% in 2024, down from its nine-year peak of 15.8% in 2020.

FIGURE 1. REPORTED LOSSES FROM FINANCIAL FRAUD, OREGON, 2020 THROUGH 2024

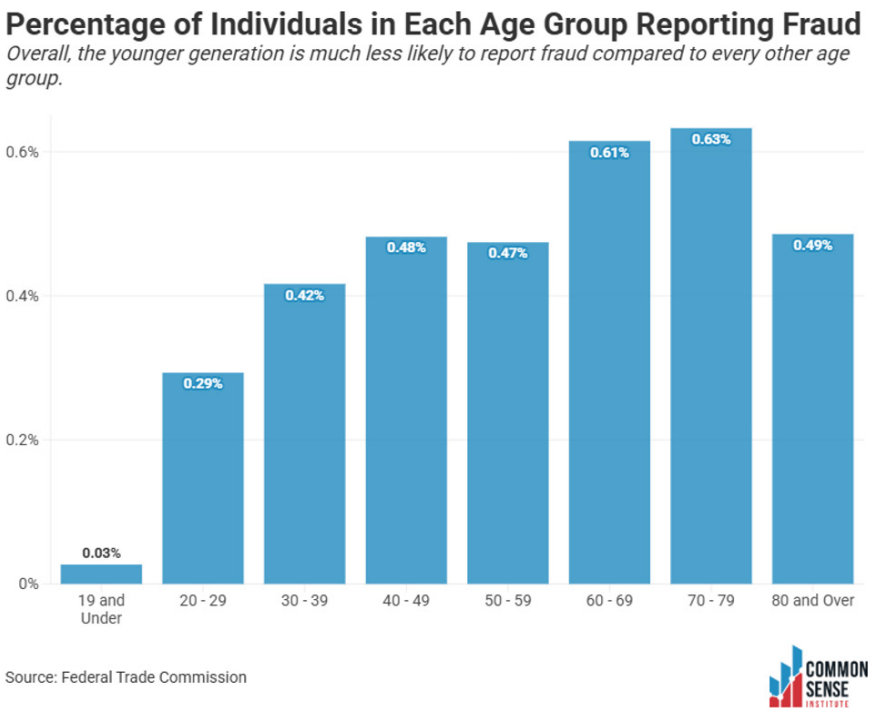


Source: Internet Crime Complaint Center • Note: Please note that the losses reported by the IC3 here is not comprehensive of all losses stemming from financial fraud in the state.

The data show financial losses from fraud are concentrated among individuals over the age of 60. This could occur because older Oregonians have more money or because they are more likely to fall for scams. A deeper look at the data suggests both reasons contribute to the concentration of loss to financial fraud among older Oregonians. Using the FTC's reporting of fraud complaints by age groups and comparing the number of reports with the estimated number of individuals in the state within each age group confirms the older generation has more money to lose and are more likely to fall victim to fraud.

As shown in figure 7, the percentage of individuals aged 19 and under reporting a fraud case was just 0.03%, much less than the 0.61% for 60- to 69-year-olds, the 0.63% for 70- to 79-year-olds, and the 0.49% for individuals 80-years-old and older.

FIGURE 7. PERCENTAGE OF INDIVIDUALS IN EACH AGE GROUP REPORTING FRAUD, 2024



CASE STUDY

To provide an idea of how financial fraud impacts an economy, the following example shows why financial fraud matters. Suppose two large cryptocurrency ATM operators in the state allowed citizens to transfer more than $20 million to scammers through their kiosks, similar to a current case in Iowa.[12] Further suppose that in order to send money through their machines, the two companies reportedly charged fees of 23% and 21%, respectively. The cryptocurrency ATM operators directly benefited by failing to inform Oregonians of their refund policies and unknowingly facilitated the alleged scam, which targeted victims over the age of 60.

In dollar terms, this case reduced the available amount of wealth to citizens by $20 million. Almost all this $20 million would have eventually circulated through Oregon's economy had citizens not fallen victim to this alleged scam. What is the economic impact of the missing $20 million?

Using Regional Economic Model's Incorporated's (REMI) Tax PI+ model, if this case were to take place in 2025, the missing $20 million would result in the following economywide impact—also shown in Table 1:

- Lower GDP by $25 million.
- Missing personal income of $13 million.
- Missing business sales (Output) of $42 million.
- Lower employment by 173 people.

TABLE 1. CASE STUDY #1 ECONOMIC IMPACT (THE USE OF PARENTHESES IS THE SAME AS A NEGATIVE SIGN)

Case Study #1 Economic Impact

Year	Gross Domestic Product	Personal Income	Total Employment	Output (Sales)
2025-2027	(24,578,197)	(13,296,614)	(173)	(41,661,976)

Source: REMI, CSI Modeling

DATA AND ANALYSIS

Financial fraud has several direct impacts. First, it reduces consumer spending and investable assets. Second, it imposes a cost to government to investigate and enforce wrongdoing. It also lowers consumer confidence and trust in society, which can cause investors to forgo investments and reduce productivity. These direct impacts can have secondary effects including lost job prospects, a decline in the amount of loanable funds, higher interest rates to cover losses, and more.[13]

To account for these wide-ranging effects, this study employs estimates of the direct impact of financial fraud from the following activities listed in Appendix A. This list stems from information provided by the Oregon State Police,[14] the Federal Trade Commission,[15] and the Internet Crime Complaint Center.[16] Because there can be overlap in information reporting from these three sources, attempts were made to ensure no double counting occurred.

An estimated $1.4 billion in financial fraud goes unreported

For the following reasons, among others, individuals and businesses may opt not to report financial fraud. The lack of reporting, however, does not mean the economic impact does not occur. As one might expect, estimates on unreported financial fraud vary widely. Using an estimate derived from the Financial Industry Regulatory Authority, **only 14%** of financial fraud is formally reported to government authorities.[17] This estimate is used in this report. The estimated **amount of unreported financial fraud in 2025 is $1.4 billion.** This is **on top of the $201 million in reported losses.**

Reasons for lack of reporting include:

- Embarrassment or shame
- Involvement of trusted individuals
- Fear of retaliation
- An individual's or company's name being on public record
- Distrust of governmental authorities.

ECONOMIC IMPACT

Considering the case study, CSI quantified the overall impact of financial fraud on the broader Oregon economy for two scenarios: first, only reported losses and second, reported and unreported losses.

Reported Losses Impact on Jobs, GDP, Personal Income

The following figure provides an estimate of the economic impact of reported financial fraud in the state in 2025. Overall, in 2025 reported financial fraud will —

- Decrease GDP by $658 million.[18]
- Reduce Personal income by $545 million.[19]
- Reduce jobs by 4,419.

TABLE 2. ECONOMIC IMPACT FROM REPORTED LOSSES

Economic Impact from Reported Losses Stemming from Financial Fraud in 2025, Direct + Indirect

Factor	Gross Domestic Product	Personal Income and Income-Related	Disposable Personal Income	Total Employment	Output (Sales)
Indirect	(415,366,765)	(343,602,885)	(288,218,167)	(4,419)	(713,984,108)
Direct	(243,089,378)	(201,090,262)	(191,035,749)		(417,852,287)
Total	(658,456,143)	(544,693,146)	(479,253,916)		(1,131,836,395)

Source: REMI, CSI Modeling

Reported and Unreported Losses Impact on Jobs, GDP, Personal Income

The following figure provides an estimate of the economic impact of reported and unreported financial fraud in the state in 2025. Overall, in 2025 all financial fraud will —

- Decrease GDP by $3.9 billion.[20]
- Reduce Personal income by $2.6 billion.[21]
- Reduce jobs by 15,106.

TABLE 3. ECONOMIC IMPACT FROM REPORTED AND UNREPORTED FINANCIAL FRAUD

Overall Economic Impact of Financial Fraud in 2025, Direct + Indirect

Year	Gross Domestic Product	Personal Income and Income-Related	Disposable Personal Income	Total Employment	Output (Sales)
Indirect	(1,755,092,729)	(1,148,644,140)	(963,799,978)	(15,106)	(3,015,159,952)
Direct	(2,194,712,159)	(1,436,359,013)	(1,364,541,063)		(3,770,403,751)
Total	(3,949,804,888)	(2,585,003,154)	(2,328,341,041)		(6,785,563,703)

Source: REMI, CSI Modeling

BOTTOM LINE

The increase in cases of financial fraud nationally has naturally resulted in growing direct financial losses from fraud. Oregon is ranked 23rd lowest for fraud cases per 100,000 residents in 2024. Oregon's direct reported losses from fraud now exceed $200 million annually. The real number is likely much higher, as research suggests only 14% of all financial fraud gets reported. As the impact of these direct losses ripple through the state's economy, they impact Oregonians beyond just the direct loss. Common Sense Institute's estimates using dynamic modeling find the total cost to the economy of financial fraud considering direct and secondary economic impacts results in thousands of jobs lost, a reduction in GDP of $3.9 billion, and a reduction in statewide personal income of $2.6 billion. To mitigate these negative outcomes, Oregonians must remain vigilant, working with their trusted financial institutions to recognize and avoid fraud.

METHODOLOGY

Model for Case Study

The cryptocurrency case study employed only one assumption: a decline in consumer spending of $20 million in 2025. To simulate the economic impact in the case study, CSI employed shocked only the "Consumer Spending" variable.

Model for Broader Economic Impact from Financial Fraud

To estimate the economic impact of financial fraud on Oregon's economy, CSI used the following assumptions as direct inputs into the REMI model (estimates of reported and unreported financial fraud) (Table 4):

TABLE 4.

Measure	REMI Input Amount for 2025	REMI Variable
Miscellaneous Investments & Investment Advice	$412,147,939	Modeled as reduced Dividend Income because it acts more as a reduced annualized dividends than reduced immediate consumption.
Romance Scams	$139,847,302	Modeled as a Consumer Tax through a Consumer Price increase
Government Imposters	$71,990,943	Modeled as a Consumer Tax through a Consumer Price increase
Business Imposters	$47,062,801	Modeled as a Consumer Tax through a Consumer Price increase
Prizes, Sweepstakes & Lotteries	$35,099,408	Modeled as a Consumer Tax through a Consumer Price increase
Job Scams & Employment Agencies	$28,241,817	Modeled as a Consumer Tax through a Consumer Price increase
Online Shopping	$21,726,527	Modeled as a Consumer Tax through a Consumer Price increase

Measure	REMI Input Amount for 2025	REMI Variable
Business & Work-at-Home Opportunities	$14,051,196	Modeled as a Consumer Tax through a Consumer Price increase
Vacation & Travel	$11,992,552	Modeled as a Consumer Tax through a Consumer Price increase
Tech Support Scams	$11,414,712	Modeled as a Consumer Tax through a Consumer Price increase
Malware & Computer Exploits	$11,308,013	Modeled as a Consumer Tax through a Consumer Price increase
Timeshare Sales	$9,959,439	Modeled as a Consumer Tax through a Consumer Price increase
Fake Check Scams	$6,531,295	Modeled as a Consumer Tax through a Consumer Price increase
Medical Treatments & Cures	$6,202,635	Modeled as a Consumer Tax through a Consumer Price increase
Credit & Debt Counseling	$5,395,873	Modeled as a Consumer Tax through a Consumer Price increase
Family & Friend Imposters	$5,307,241	Modeled as a Consumer Tax through a Consumer Price increase
Pyramids & Multi-Level Marketing	$4,805,415	Modeled as a Consumer Tax through a Consumer Price increase
Online Payment Services	$4,149,360	Modeled as a Consumer Tax through a Consumer Price increase
Phone Devices, Accessories & Services	$4,092,735	Modeled as a Consumer Tax through a Consumer Price increase
Real Estate	$41,092,821	Modeled as reduced Dividend Income because it acts more as a reduced annualized dividends than reduced immediate consumption.
Website Design & Promotion	$2,737,620	Modeled as a Consumer Tax through a Consumer Price increase
Website Content	$2,360,652	Modeled as a Consumer Tax through a Consumer Price increase
Charitable Solicitations	$2,246,765	Modeled as a Consumer Tax through a Consumer Price increase
Timeshare Resales	$2,223,663	Modeled as a Consumer Tax through a Consumer Price increase
Mortgage Modification & Foreclosure Relief	$1,604,859	Modeled as a Consumer Tax through a Consumer Price increase
Stocks & Commodity Futures Trading	$1,192,593	Modeled as a Consumer Tax through a Consumer Price increase

Measure	REMI Input Amount for 2025	REMI Variable
Foreign Money & Inheritance Scams	$1,001,214	Modeled as a Consumer Tax through a Consumer Price increase
Advance-Fee Credit	$829,311	Modeled as a Consumer Tax through a Consumer Price increase
Diet Products, Plans & Centers	$796,854	Modeled as a Consumer Tax through a Consumer Price increase
Non-Educational Grants	$715,754	Modeled as a Consumer Tax through a Consumer Price increase
Tax Preparers	$616,883	Modeled as a Consumer Tax through a Consumer Price increase
Phone Billing	$558,265	Modeled as a Consumer Tax through a Consumer Price increase
Books & Magazines	$377,223	Modeled as a Consumer Tax through a Consumer Price increase
Social Networking Services	$334,342	Modeled as a Consumer Tax through a Consumer Price increase
Immigration Services	$191,232	Modeled as a Consumer Tax through a Consumer Price increase
Credit Repair	$189,092	Modeled as a Consumer Tax through a Consumer Price increase
Medical Insurance & Discount Plans	$118,137	Modeled as a Consumer Tax through a Consumer Price increase
Office Directory Listings & Ad Space	$9,263	Modeled as a Consumer Tax through a Consumer Price increase
Property & Inheritance Tracers	$0	Modeled as a Consumer Tax through a Consumer Price increase
Credit Card Identity Theft	$45,203,648	Modeled as a Consumer Tax through a Consumer Price increase
Other Identity Theft	$36,727,964	Modeled as a Consumer Tax through a Consumer Price increase
Bank Account Identity Theft	$24,014,438	Modeled as a Consumer Tax through a Consumer Price increase
Loan or Lease	$21,189,210	Modeled as a Consumer Tax through a Consumer Price increase
Phone or Utilities	$16,951,368	Modeled as a Consumer Tax through a Consumer Price increase
Credit Bureaus and Information Furnishers	$7,063,070	Modeled as a Consumer Tax through a Consumer Price increase
Debt Collection	$4,237,842	Modeled as a Consumer Tax through a Consumer Price increase

Measure	REMI Input Amount for 2025	REMI Variable
Auto Related	$4,251,968	Modeled as a Consumer Tax through a Consumer Price increase on Autos
Internet Services	$4,244,905	Modeled as a Consumer Tax through a Consumer Price increase
Privacy, Data Security, and Cyber Threats	$50,940,428	Modeled as a Consumer Tax through a Consumer Price increase
Business Email Compromise (BEC)	$292,999,235	Modeled as an increase in Production Cost with Immediate Market Share Response
Extortion	$7,439,431	Modeled as a Consumer Tax through a Consumer Price increase
Overpayment	$2,779,546	Modeled as a Consumer Tax through a Consumer Price increase
Phishing/Spoofing	$1,862,154	Modeled as a Consumer Tax through a Consumer Price increase
Ransomware	$5,930,060	Modeled as a Consumer Tax through a Consumer Price increase
Cost of Banking (to Cover Losses)	$201,090,262	Modeled as an increase in Production Cost for the Monetary Sector with Immediate Market Share Response
Missing Government Spending	-$66,400,653	Modeled as a Decrease in State and Local Government Spending with an Amenity Impact
Missing Investments	-$201,090,262	Modeled as a Decrease in Investment Spending
Miscellaneous Investments & Investment Advice	$412,147,939	Modeled as reduced Dividend Income because it acts more as a reduced annualized dividends than reduced immediate consumption.
Romance Scams	$139,847,302	Modeled as a Consumer Tax through a Consumer Price increase

APPENDIX A

This study employs estimates of the direct impact of financial fraud from the following activities for its economic impact assessment:

- Miscellaneous Investments & Investment Advice
- Romance Scams
- Business Imposters
- Government Imposters
- Prizes, Sweepstakes & Lotteries
- Job Scams & Employment Agencies
- Vacation & Travel
- Online Shopping
- Tech Support Scams
- Malware & Computer Exploits
- Timeshare Sales
- Pyramids & Multi-Level Marketing
- Credit & Debt Counseling
- Online Payment Services
- Business & Work-at-Home Opportunities
- Family & Friend Imposters
- Fake Check Scams
- Advance-Fee Credit
- Medical Treatments & Cures
- Real Estate
- Timeshare Resales
- Tax Preparers
- Charitable Solicitations
- Credit Repair
- Website Design & Promotion
- Phone Billing
- Medical Insurance & Discount Plans
- Diet Products, Plans & Centers
- Mortgage Modification & Foreclosure Relief
- Website Content
- Invention Promotion
- Office Directory Listings & Ad Space
- Non-Educational Grants
- Stocks & Commodity Futures Trading
- Foreign Money & Inheritance Scams

- Social Networking Services
- Immigration Services
- Office Supplies & Services
- Prepaid Phone Cards
- Scholarships & Educational Grants
- Property & Inheritance Tracers
- Credit Card Identity Theft
- Other Identity Theft
- Bank Account Identity Theft
- Loan or Lease
- Government Documents or Benefits
- Credit Bureaus and Information Furnishers
- Debt Collection
- Auto Related
- Internet Services
- Privacy, Data Security, and Cyber Threats
- Business Email Compromise (BEC)
- Extortion
- Overpayment
- Phishing/Spoofing
- Ransomware

REFERENCES

1. https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf
2. https://www.ftc.gov/system/files/ftc_gov/pdf/csn-annual-data-book-2024.pdf
3. https://public.tableau.com/app/profile/federal.trade.commission/viz/FraudReports/FraudFacts
4. https://www.ftc.gov/system/files/ftc_gov/pdf/csn-annual-data-book-2024.pdf
5. https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf
6. https://www.ftc.gov/system/files/ftc_gov/images/consumer-sentinel-network-data-book-2024-image.png
7. Federal Trade Commission, Consumer Sentinel Network, available at https://public.tableau.com/app/profile/federal.trade.commission/viz/FraudandIDTheftMaps/FraudbyState.
8. https://public.tableau.com/app/profile/federal.trade.commission/viz/FraudandIDTheftMaps/FraudbyState
9. *Ibid*
10. *Ibid*
11. Federal Bureau of Investigation, Internet Crime Report, https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf
12. Although the numbers are Oregon impacts, the actual example is from a current case in Iowa. See https://www.iowaattorneygeneral.gov/newsroom/attorney-general-bird-sues-crypto-atm-companies-for-costing-iowans-more-than-20-million
13. *Betrayed Employees: The Impact of Financial Fraud on Inventor Productivity by Hsu, Tian, and Yi in Social Science Research Network.*
14. https://www.oregon.gov/osp/pages/uniform-crime-reporting-data.aspx
15. https://www.ftc.gov/
16. https://www.ic3.gov/
17. https://www.finrafoundation.org/sites/finrafoundation/files/2024-10/pilot-study-measure-financial-fraud.pdf
18. In 2017 dollars
19. *Ibid*
20. In 2017 dollars
21. *Ibid*