

How the COVID-19 Pandemic Fueled Fraud Crimes in the U.S.

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In every state, in almost every category, fraud is on the rise — and it’s costing people billions of dollars. Our team of analysts found that since the beginning of the COVID-19 pandemic, fraud reports have increased by more than 30%, ultimately costing Americans more than \$2.3 billion dollars in 2020.

Key findings:

- Fraud cost Americans more than \$2.3 billion in 2020, a 97% increase over 2019.
- Fraud reports increased by 30.1% in the last year.
- Nebraska, South Dakota and Illinois had the largest increases in fraud-related losses.
- Mississippi, Arkansas and Alaska had the largest increases in fraud reports.
- Job opportunity and credit bureau scams are the fastest-rising categories of fraud.

From millions to hundreds of millions of dollars, the increase in fraud has affected every state differently. Nebraska saw the largest increase in fraud-related losses, while California had the highest total loss (over \$400 million) and North Dakota lost around \$3 million.

The cost of fraud in each state			
Rank	State	% increase in dollars lost 2019-2020	Total loss in 2020
1	Nebraska	193.2%	\$12,900,000
2	South Dakota	180.0%	\$4,200,000
3	Illinois	159.9%	\$93,300,000
4	Utah	157.0%	\$23,900,000

5	Hawaii	151.6%	\$15,600,000
6	Arizona	138.0%	\$69,500,000
7	Nevada	137.0%	\$36,500,000
8	Washington	134.5%	\$68,700,000
9	Wisconsin	124.2%	\$34,300,000
10	North Carolina	121.8%	\$72,100,000

While some states experienced sharp increases in the overall dollar amount lost to fraud, others saw rapid increases in the number of fraud reports. We found 20 states where instances of fraud increased by 20% or more. Six states saw decreases in fraud reports but also had some of the biggest increases in fraud-related losses.

States where fraud is growing the fastest		
State	% increase in fraud reports 2019-2020	% increase in dollars lost 2019-2020
Mississippi	60.9%	39.0%
Arkansas	57.5%	43.8%
Alaska	42.7%	9.6%
Hawaii	39.6%	151.6%
Vermont	38.0%	56.5%
Pennsylvania	37.5%	100.8%
Massachusetts	37.0%	58.5%
Texas	36.9%	99.1%
Virginia	36.5%	114.2%
New Jersey	36.2%	115.5%

Fraud is a broad type of crime, but scams usually fall into one of the categories listed in the table below. Job opportunity, identity theft and credit bureau scams are the fastest-growing types of fraud. But we found an increase in almost every category.

Fraud by Category			
Category	2019 reports	2020 reports	% increase 2019-2020
Identity theft	650,523	1,387,614	113%
Imposter scams	663,946	502,829	-24%
Credit bureaus	165,524	364,783	120%
Online shopping scams	178,863	316,944	77%
Banks and lenders	155,894	175,552	12%
Debt collectors	137,710	146,932	7%
Prizes, sweepstakes and lotteries	125,181	126,710	1%
Internet and computer services	87,404	122,302	39%
Auto-related	121,628	116,391	-4%
Business and job opportunities	36,917	88,322	139%

The marked increase in fraud can be directly tied to the ongoing COVID-19 pandemic. Criminals have used identity theft scams to take advantage of unemployment programs, stimulus payments and other newly created government relief efforts while also preying on people's financial struggles through job opportunity and credit bureau scams.

A full list of things you can do to protect yourself from identity-theft-related fraud as well as information on identity theft insurance are available on our [identity theft guide](#). There, you can also find a list of how each state has been affected by the increase in identity theft.

Methodology:

This report was compiled using fraud reports sent to the [Federal Trade Commission's Consumer Sentinel Network](#). Fraud reports were then broken down by state and compared year to year.