

HELPING LAW ENFORCEMENT STOP THE FLOW OF ILLICIT FUNDS ACROSS THE BORDER

Large numbers of prepaid cards containing unknown amounts of money cross the U.S. border daily. A growing number of these cards are being used for illicit purposes. Currently, law enforcement agencies can't identify or suspend funds from prepaid cards that may be used in support of criminal activities. To assist law enforcement personnel with this task, a technology was needed that can quickly scan prepaid cards and identify the funds associated with the cards. This technology allows law enforcement to differentiate prepaid cards from credit or debit cards, and allows them to halt continued use of the suspect prepaid card while conducting additional investigations.

To address this need, the U.S. Department of Homeland Security (DHS) Science and Technology Directorate (S&T) partnered with the ERAD, Electronic Recovery and Access to Data, Group to develop a scanning instrument for prepaid cards that is based on a commercially available credit card reader. Officers can use this device to swipe suspect cards and obtain the associated financial information. If credit or debit cards are swiped, the instrument will provide an indication that the card was correctly scanned, but that it is not a prepaid card. To protect the identities of innocent users, no user or balance information from credit or debit cards is displayed, stored, or transmitted to other locations. Additionally, the system is able to operate in a wireless or wired mode and can suspend additional card transactions or facilitate the transfer of card funds to a holding account.

EASY-TO-USE CAPABILITY ENABLES LAW ENFORCEMENT TO ACT IN A MATTER OF SECONDS

The prepaid card reader provides the ability to read and display prepaid card balances in U.S. dollars from both United States and foreign card vendors. The ability to suspend additional transactions on a card and/or to transfer card balances to a law enforcement impound account (similar to a cash seizure) is able to occur within a matter of seconds. The prepaid card reader also contains a printer and can produce a receipt for seized property. It operates using either a rechargeable battery pack or power from an outlet, can be

viewable in all lighting conditions, and operates as a secure system, so as not to publicly release sensitive information.

Law enforcement personnel investigating crimes involving large sums of money have indicated that the use of prepaid cards makes criminal activity easier to hide. Large sums of money can be programmed onto prepaid cards and used for illicit purposes or transported across international borders. The prepaid card reader provides a way to analyze prepaid cards when they are discovered to determine whether the funds are connected to criminal activity. This technology will ultimately assist law enforcement personnel in stemming criminal activity that prepaid cards often facilitate.

LAW ENFORCEMENT USING THE PREPAID CARD READER

The card reader shown has been successfully developed and is available to law enforcement agencies from the ERAD Group. It is currently in operational use by state, local, and tribal law enforcement agencies and has been successfully allowing law enforcement personnel to scan suspect cards and freeze the funds on the cards for adjudication through the court system.



For more information regarding this technology, please contact the ERAD Group (<https://www.eradgroup.com/erad-prepaid>).