



FINANCIAL CRIMES INTELLIGENCE CENTER AT A GLANCE

Overview:

The Texas Financial Crimes Intelligence Center (FCIC) investigates financial fraud via payment cards—automated teller machines (ATMs), point-of-sale terminals, digital currency (bitcoin etc.), fuel dispensers (gas pumps), fuel theft by manipulating payment terminals - and check fraud.

History

The FCIC was created in 2021 by House Bill 2106 (87th Legislature, Regular Session), and it operates as a partnership between the TDLR and the Smith County District Attorney's Office.

- For several years, the Tyler Police Department and Smith

County DA have aggressively investigated and prosecuted criminals engaging in credit card fraud related to skimmers placed on gasoline pumps.

- In 2019, TDLR took over the regulation of motor fuel metering and quality, including receiving consumer complaints and merchant reports related to credit card skimmers.

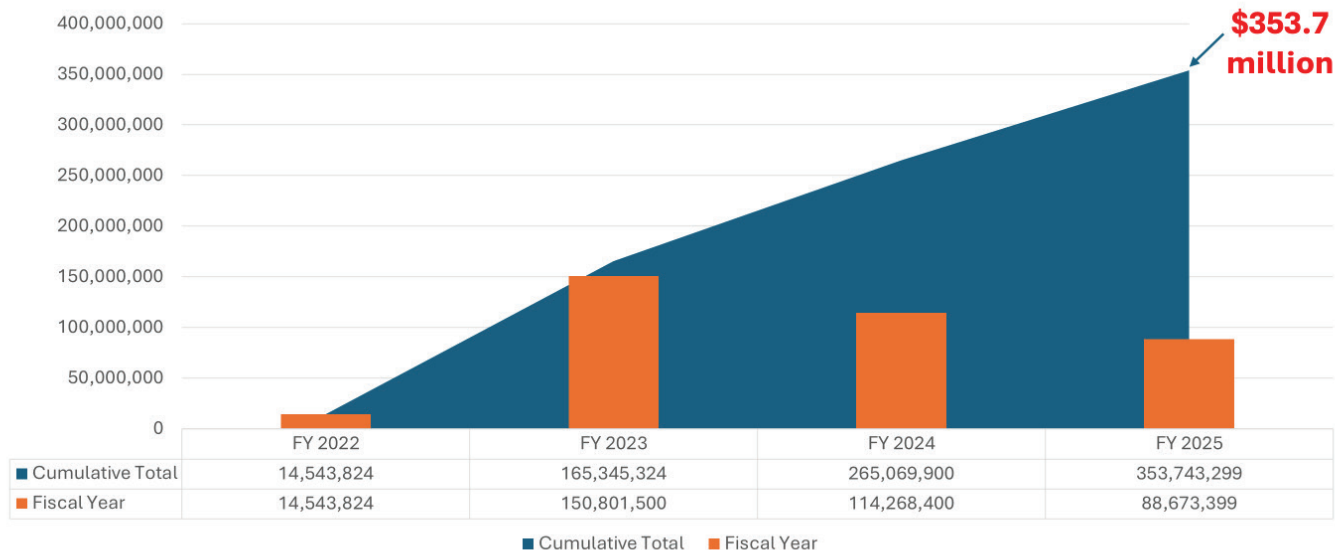
TDLR and Skimmer Investigations

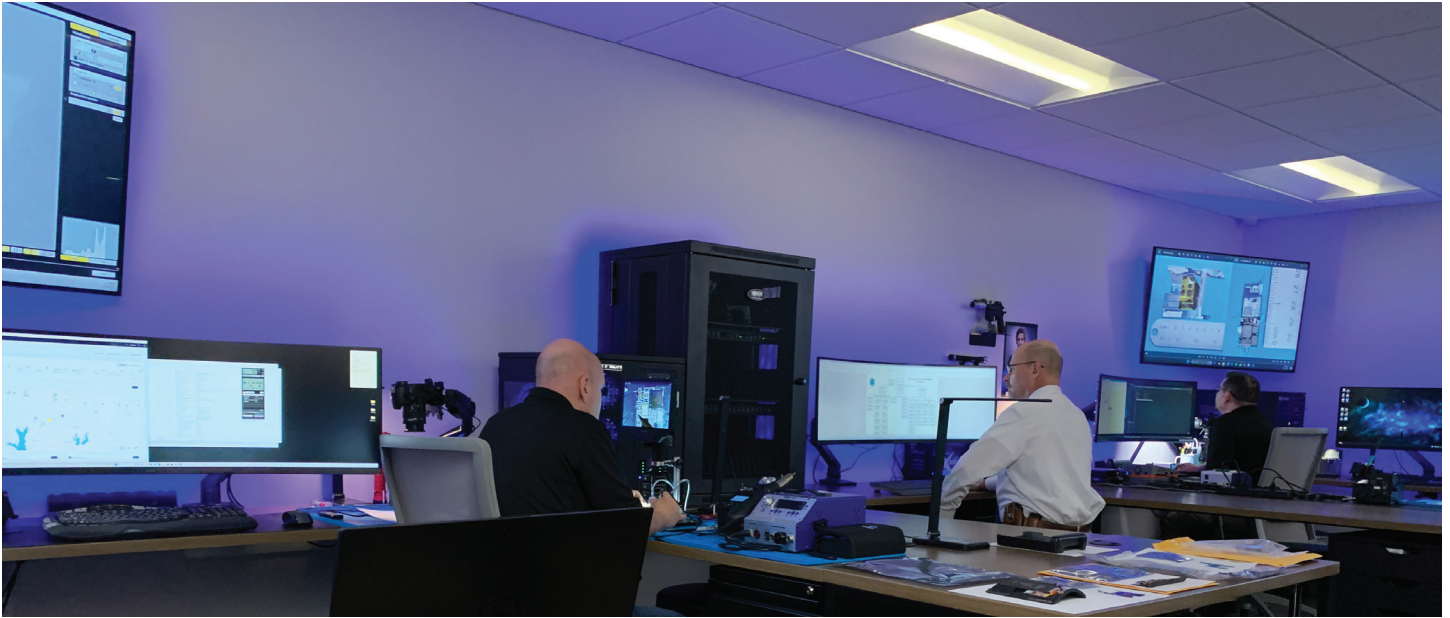
When TDLR receives a complaint or a merchant report of a suspected skimmer, a program specialist is sent to the location to perform a technical inspection on each fuel dispenser to check whether skimmers are present. If a skimmer is found, TDLR works with law enforcement to remove the device.

State law requires service technicians and merchants to take steps to



FCIC TOTAL STOP LOSS & RECOVERY FY 2022 – FY 2025





protect consumers through mandatory reporting and disabling of fuel dispensers where a skimmer has been found. TDLR requires service technicians to inspect for skimmers each time a dispenser is opened for repairs or maintenance. When a service technician finds a skimmer, they must report it to the merchant immediately.

Whether a skimmer is found by a service technician or a merchant, the merchant is responsible for notifying law enforcement and disabling each dispenser where a skimmer has been located. The merchant must report the discovery to TDLR within 24 hours using the online webform. Prior to law enforcement or TDLR responding to remove a skimmer, a merchant must take measures to prevent the fuel dispenser from being tampered with prior to the skimmer being removed, including preventing access by the public.

A new state law (SB 1497, 89th Legislature, Regular Session) allows peace officers to search skimmers and other devices used for illegal data collection without having to obtain a warrant. Previously, skimmers were included in the category of wireless communications devices, which require a warrant to search. The law removes these illegal devices from that category, while preserving protections already in place to prevent officers from searching someone's cellphone or other wireless communications devices without a warrant.

All criminal investigations of skimmer fraud are handled by the FCIC in coordination with local law enforcement. TDLR does not handle the investigation or prosecution of criminal cases related to skimmer fraud.