

Arizona Peace Officer Standards and Training

Basic Curriculum Model Lesson Plan

LESSON TITLE: SUBSTANTIVE CRIMINAL LAW 2.1

SUBJECT:	Substantive Criminal Law
AZ POST DESIGNATION:	2.11 Chapter 21 Credit Card Fraud
HOURS:	.5
COURSE CONTENT:	An analysis of the most frequently used statutes in this chapter.
PERFORMANCE OBJECTIVES:	Upon completion of this course of instruction, students using notes, handouts and other support materials as references, within the allotted time, will: <ul style="list-style-type: none">2.11.21.1 Identify examples of the following property-related crimes:<ul style="list-style-type: none">A. Credit card fraud – A.R.S. §§13-2102 through 13-2105 and 13-2110.

LESSON TITLE: SUBSTANTIVE CRIMINAL LAW
CHAPTER 21 CREDIT CARD FRAUD

PAGE: 2

DATE FIRST PREPARED: November 2000

PREPARED BY: SME Committee

REVIEWED – REVISED:	SME Committee	DATE: May 2002
REVIEWED – REVISED:	Sgt. George Sloane 13817, T. P.D.	DATE: August 2002
REVIEWED – REVISED:	SME Committee	DATE: April 2003
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AZ POST – APPROVAL:	Steve Enteman	DATE: August 2019
AZ POST – APPROVAL:	Mandy Faust	DATE: February 2021
AZ POST – APPROVAL:	Lori Wait	DATE: January 2022

INSTRUCTOR REFERENCES: A.R.S. Title 13

CLASS LEVEL: Student

TRAINING AIDS: <http://www.azleg.gov/ArizonaRevisedStatutes.asp>

INSTRUCTIONAL STRATEGY: Interactive lecture.

SUCCESS CRITERIA: 70% or higher on a written, multiple-choice examination.

COMPUTER FILE NAME: 2-11 Ch 21 Credit Card Fraud

RELEASE DATE TO THE SHARE FILE: May 27, 2020

I. INTRODUCTION

- A. Instructor – (self) introduction.
- B. Preview of performance objectives. **INSTRUCTOR NOTE:** *Use if taught as a “Stand alone” lesson plan.*

II. 13-2101 – DEFINITIONS

Implied by P. O. 2.11.21.1A

- A. Credit card – means any instrument or device (whether known as a credit card, charge card, credit plate, courtesy card or identification card or by any other name) issued with or without a fee by an issuer for the use of the card holder in obtaining money, goods, services or anything else of value, either on credit or in possession or in consideration of an undertaking or guaranty by the issuer of the payment of a check drawn by the card holder upon a promise to pay in part, or in full therefor, at a future time whether or not all or any part of the indebtedness that is represented by the promise to make deferred payment is secured or unsecured.
 - 1. A debit card, electronic benefit transfer card or other access instrument or device, other than a check that is signed by the holder or other authorized signatory on the deposit account, that draws funds from a deposit account in order to obtain money, goods, services or anything else of value.
 - 2. A stored value card, smart card or other instrument or device that enables a person to obtain goods, services or anything else of value through the use of value stored on the card, instrument or device.
 - 3. The number that is assigned to the card, instrument or device described in subdivision (a), (b) or (c) of this paragraph even if the physical card, instrument or device is not used or presented.
- B. Card holder – means any person who is either:
 - 1. Named on the face of a credit card to whom, or for whose benefit, the card is issued by an issuer; or
 - 2. In possession of a credit card with the consent of the person to whom the card was issued.
- C. Expired credit card – one which is no longer valid because the term shown on the card has elapsed.
- D. Canceled or revoked credit card – means a credit card which is no longer valid because permission to use it has been suspended, revoked or terminated by the issuer by written notice sent by certified or registered mail addressed to the person to whom the card was issued at his/her last known address.

1. If this notice is sent as per above, it gives rise to the inference that notice has been given to the card holder.
- E. Incomplete credit card – means a credit card on which part of the matter (other than the card holder's signature) which the issuer requires to appear before the card can be used, has not been stamped, embossed, imprinted or written.
 1. The card number.
 2. The expiration date.
 3. Issuer's logo, etc.
- F. Issuer – any business organization, state agency or financial institution or its duly authorized agents, which issues a credit card.
- G. Merchant – means a person who is authorized under a written contract with a participating party to furnish money, goods, services or anything else of value on presentation of a credit card by a card holder.
- H. Participating party – means a business organization or financial institution which is obligated or permitted by contract to acquire by electronic transmission or other means from a merchant a sales slip or sales draft or instrument for the payment of money evidencing a credit card transaction and from whom an issuer is obligated, or permitted by contract, to acquire by electronic transmission or other means such sales slip or sales draft or instrument for the payment of money evidencing a credit card transaction.
- I. Receives – means of acquiring possession or control of a credit card or accepting a credit card as security for a loan.
- J. Re-encoder – means an electronic device that places encoded information from the magnetic strip or stripe of a credit card onto the magnetic strip or stripe of a different credit card.
- K. Scanning device – means a scanner, reader or other electronic device that is used to access, read, scan, obtain, memorize, transmit or store (temporarily or permanently) information that is encoded on a magnetic strip or stripe of a credit card.

III. 13-2102 – THEFT OF A CREDIT CARD OR OBTAINING A CREDIT CARD BY FRAUDULENT MEANS

P. O. 2.11.21.1A

- A. A person commits theft of a credit card or obtaining a credit card by fraudulent means if the person:
 1. Controls a credit card without the card holder's or issuer's consent through conduct of theft or theft by extortion; or
 2. Sells, transfers or conveys a credit card with the intent to defraud; or

3. With intent to defraud, obtain possession, care, custody or control over a credit card as security for debt.

B. This is a felony offense.

IV. 13-2103 – RECEIPT OF ANYTHING OF VALUE OBTAINED BY FRAUDULENT USE OF A CREDIT CARD

P. O. 2.11.21.1A

A. A person, being a third person, commits receipt of anything of value obtained by fraudulent use of a credit card by buying or receiving, or attempting to buy or receive, money, goods, services or any other thing of value obtained in violation of A.R.S. §13-2105 (fraudulent use of a credit card), knowing or believing that it was so obtained.

B. This is a Class 1 misdemeanor if the value of the property bought or received is less than \$250.

C. This is a Class 6 felony if the value of the property bought or received is \$250 or more but less than \$1,000.00.

D. If the value of the property bought or received is \$1,000.00 or more, it is a class 5 Felony.

E. Amounts obtained by the fraudulent use of a credit card pursuant to one (1) scheme or course of conduct, whether from one (1) or several persons, may be aggregated in determining the classification of the offense.

V. 13-2104 – FORGERY OF A CREDIT CARD

P. O. 2.11.21.1A

A. A person commits forgery of a credit card if the person:

1. With intent to defraud, alters any credit card, falsely makes, manufactures, fabricates or causes to be made, manufacture or fabricated an instrument or device purporting to be a credit card without the express authorization of an issuer to do so, or falsely embosses or alters a credit card, or instrument or device purporting to be a credit card, or utters such a credit card, instrument or device purporting to be a credit card; or

2. Other than the card holder, with intent to defraud, signs the name of any actual or fictitious person to a credit card or instrument for the payment of money which evidences a credit card transaction.

B. Forgery of a credit card is a felony.

VI. 13-2105 – FRAUDULENT USE OF A CREDIT CARD

P. O. 2.11.21.1A

A. A person commits fraudulent use of a credit card if the person:

1. With intent to defraud, uses (for the purpose of obtaining or attempting to obtain money, goods, services or any other thing of value) a credit card or credit card number

obtained or retained in violation of this chapter, or a credit card number which the person knows is forged, expired, canceled or revoked; or

2. Obtains, or attempts to obtain, money, goods, services or any other thing of value by representing (without the consent of the card holder) that the person is the holder to a specified card or by representing that the person is the holder of a credit card and the card has not, in fact, been issued.

- B. Fraudulent use of a credit card is considered a Class 1 misdemeanor unless the value of all money, goods, services and other things of value obtained, or attempted to be obtained, in violation of this section, exceeds \$250 (but less than \$1,000.00) in any consecutive six (6) -month period – then it becomes a Class 6 felony. If it exceeds \$1,000.00 or more, it is a class 5 felony.

VII. 13-2110 UNLAWFUL POSSESSION OR USE OF SCANNING DEVICE OR REENCODER

P. O. 2.11.21.1A

- A. It is unlawful for a person to use a scanning device or reencoder without the permission of the cardholder of the credit card from which the information is being scanned or reencoded and with the intent to defraud the cardholder, the issuer or a merchant.
- B. It is unlawful to intentionally or knowingly make or possess with the intent to commit fraud any device, apparatus, equipment, software, article, material, goods, property or supply that is specifically designed or adapted for use as or in a scanning device or a reencoder.
- C. Subsection B of this section does not apply to peace officers or prosecutors in the performance of their duties.
- D. A person who violates this section is guilty of a class 4 felony.

VIII. CONCLUSION

- A. Review of performance objectives.
- B. Final questions and answers.
- C. Instructor closing comment(s).