



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Office of the Chair

**Remarks of Chair Lina M. Khan
As Prepared for Delivery
Financial Literacy and Education Commission Public Meeting**

November 17, 2022

Hello, everyone—thanks so much for having me. I'm thrilled to be joining this important conversation.

-being of Americans persist.

I want to touch on three areas in particular where we have seen some of these pernicious practices—and share the steps that the FTC is taking to ensure we are undertaking effective and efficient enforcement that promotes deterrence, rather than playing whack-a-mole.

The first area is imposter scams. Government and business impersonation schemes cheat American consumers and small businesses out of billions of dollars every year. These scammers often pretend to be working for government institutions—like the Social Security Administration or the IRS— and tell targets that if they don't hand over money or submit sensitive personal information, they could lose a government benefit, face a tax liability—or even be arrested. Both our enforcement work and consumer data suggest that government and business impersonation scams appear highly prevalent and increasingly harmful. These scams have been the top category of fraud reports and the largest source of total reported consumer financial losses for several years. To address this persistent fraud, the FTC recently proposed a trade regulation rule to combat government and business impersonation schemes.

¹ If finalized, this rule could have a market-wide impact and serve as a deterrent for bad actors, given that a rule here would subject first-time violators to civil penalties. It could also enable the Commission to obtain redress for the people who lose money to these impersonation scams.

A second area where we continue to see pernicious activity is false earnings claims. False earnings claims routinely mislead Americans into investing thousands of dollars into opportunities that turn out to be a sham. Be it misleading claims about multilevel marketing schemes that lure in aspiring entrepreneurs, false marketing from for-profit schools targeted at

of these false claims can be devastating. These claims lose people money and time and saddle them with debt. The economic precarity spurred for many by the pandemic further created an environment ripe for these tactics, where fraudsters can use false claims to prey on Americans

