

Scams Against Older Adults Advisory Group Meeting | FTC | September 29, 2022

Lois Greisman:

Hello, and welcome to the first meeting of the Scams Against Older Adults Advisory Group. I'm Lois Greisman, I'm the FTC's Elder Justice Coordinator, and I look forward to telling you more about the work that this group will tackle in the upcoming years. Although, I'd like to introduce Sam Levine, the Director of the Federal Trade Commission's Bureau of Consumer Protection. Director Levine will give an overview of the FTC's efforts to protect older adults, and he will share the purpose behind convening this advisory group. Next slide, please, and Sam, if you would.

Samuel Levine:

Thank you, Lois. I'm excited to be with all of you today to help launch the Scams Against Older Adults Advisory Group. Combating scams that affect older adults is one of the FTC's top priorities. Over the years we have aggressively attacked these scams from multiple angles, using every tool at our disposal. Our law enforcement actions have both shut down fraud and returned money to consumers whenever possible. In 2021 alone the FTC returned more than \$400 million to people affected by cases that were filed as a result of FTC law enforcement efforts. them your money or your personal information. And, according to our data, older adults report tremendous losses to these kinds of frauds. In 2021 that amounted to \$151 million in reported losses to business impersonators, and a further \$122 million to government impersonators.

Samuel Levine:

Our proposed rule would allow the FTC to recover money from, or seek civil penalties against, impersonators who violate the rule and harm consumers. These rule makings are especially important in light of the Supreme Court's decision in AMG Capital Management, which has hamstrung the FTC's ability to return funds to consumers under its existing authority. But everyone here today knows that law enforcement is simply not enough, even as all of us work harder and smarter against the scammers who would target older adults.

Samuel Levine:

An essential part of successful fraud fighting is education, help older consumers know how to spot, avoid and report scams. That's why at the FTC we've invested heavily in our Pass It On education campaign, which we print and distribute in both English and Spanish. This campaign honors the life experience of older adults and asks them to pass on what they know, while sharing advice on spotting the scams to get the conversation started. From prize scams to impersonators, from health insurance scams to identity theft, Pass It On covers some of the scams that most affect older adults.

Angelyque Campbell:

I don't know what happened here. My apologies. Let's try this again. Thank you again. Good afternoon. I'm Angelyque Campbell, Assistant Director and Division of Consumer Affairs of Federal. Again, on behalf of the board, I'm pleased be part of this important advisory group focused on stopping scams against older adults and appreciate the FTC coordinating this effort. In fact, years ago, the Federal Reserve released support on the financial experience over does so. We [inaudible 00:28:02] the returning to familiar ground. At the board, the consumer and community affairs division specifically carries out the Federal Reserves consumer protection and community development responsibilities in the interest of helping to ensure the financial marketplace that manage with, it's fair and transparent and that m

oversight, and taking enforcement action when wrongdoing occurs. A great deal of FINRA's work focuses on helping vulnerable and older investors avoid costly mistakes and access to advice that they can trust. We do that through our securities helpline for seniors, through rules like our pause and hold on transactions, and the implementation of a requirement that firms seek a trusted contact on customer accounts. And through a variety of other initiatives, including enhanced sanctions when the individual who has been targeted for wrongdoing is an older American.

Jilene Gunther:

Through the foundation, we empower underserved adults to have access to tools and information and resources that can help them achieve financial success throughout their life. And among the many initiatives that we have is our investor protection campaign which engages in outreach with a number of the people who are on this call. So there's a ~~top~~ private-public collaboration that happens. But we also engage in robust research initiatives that take a look at what the drivers are of financial fraud, how the cons are able to commit their crimes, but also what makes some consumers more susceptible perhaps than others, to the influences of the persuasion techniques that cons use. We take a look at aging and cognition, the intersection of fraud susceptibility and financial knowledge, and I look forward to sharing these and other insights with the advisory group as you shape the initiative for the coming year. So thank you once again on behalf of FINRA and on behalf of the FINRA Investor Education Foundation.

Patricia Hsue:

Thank you so much, Gerri. Now, I'd like to invite the representative for the ~~advisory~~ Payments Association to introduce themselves.

Chris Stromberg:

Thank you. Good afternoon everyone. My name is Chris Stromberg and I'm the Head of Government Relations at the Innovative Payments Association, and I'm happy to join this group ~~as a representative~~ of the IPA and our more than 70 members across the financial services industry. The IPA is a trade organization that serves as the leading voice of the electronic payment sector, including prepaid products, mobile wallets, and ~~person-to-person~~ technology for consumers, businesses, and governments at all levels.

Chris Stromberg:

Our goal is to encourage the efficient use of electronic payments, cultivate financial inclusion through educating and empowering consumers, represent the industry before legislative and regulatory bodies, and provide thought leadership. While working towards these goals, we recognize the supreme importance of working across the industry to prevent fraud and scams, particularly those targeted towards older adults. To this ~~end~~, the IPA and our fraud prevention working group coordinate regularly with law enforcement and develop and implement industry best practices to prevent fraud. We look forward to working with the advisory group and its committees to further this important work. Thank you.

Patricia Hsue:

Thanks so much, Chris. Now, I'd like to invite the representative for the National Retail Federation to introduce themselves.

Jamie Renner:

Each year, scam victims report millions of dollars of losses to my office, and each year it's my office's experience that scams disproportionately impact our state's older population. In response to these scam reports, my colleagues and I are in the trenches day to day advising scam victims, working with banks and the FBI to try to recover scam victim's lost funds, educating the public on scams, educating banks and law enforcement and caregivers on spotting and responding to scams, administering a statewide scam alert system to warn the public of new scams hitting our state, identifying new technologies to block scams, and taking enforcement actions, meaning bringing lawsuits to reduce the number of scams hitting our state.

Jamie Renner:

Recently, for example, a colleague of mine and I sued a California-based telecom company for its role facilitating millions of scam robocalls from overseas into the US and Vermont. We're always looking to improve how we support and protect older Vermonters. We're always looking to help push forward the national conversation around how we best address frauds and scams against older adults generally. So we're eager and honored to be a part of this advisory group and really look forward to collaborating with you all. Thank you.

Patricia Hsue:

Thanks so much, Jamie. Next, I'd like to invite the representative for the Retail Gift Card Association to introduce themselves.

Laura Parker:

Thanks Patty, I really appreciate it. I'm Laura Parker, and I'm Chair of the Retail Gift Card Association. We represent the closed loop gift card industry. Our members represent over a hundred national and large regional retail, restaurant, travel, and entertainment brands. We are committed at promoting and

people have this ounce of prevention, and it truly is worth a pound of cure because once the money is gone, even if we have a successful enforcement action, there may not be money to return to char

And recently we had a case where the defendant agreed to pay \$127 million back, so we're working hard to get that money back to the victims.

Gary Barksdale:

But more pertinent to this group is our prevention and consumer education efforts. We have a team of victim service specialists that are tasked to coordinate elder fraud victims to try to get help from social services or local resources. So I really look forward to working with this group to develop more meaningful strategies to prevent scams and help educate our citizens, so look forward to the work. Thank you very much.

Patricia Hsue:

Thanks so much, Gary. Finally, but not least, I'd like to invite the representative for US Telecom to introduce themselves.

Jamie Renner:

Thank you, Patty. And I really appreciate the opportunity to be part of this advisory group and its important work. My name is Josh Bercu, and I'm Vice President Policy and Advocacy at the Broadband Association. US Telecom is a 501(c)(6) trade association that represents service providers and suppliers for the communications industry. Our members range from the largest telcos that you know of and heard of to the small, local regional companies that service their local areas and everything in between.

Jamie Renner:

For US Telecom, I lead our policy and advocacy work to stop the scam robo calls Director Levine referenced that prey on older adults and others. I also serve as executive director of the Industry Traceback Group. The Industry Traceback Group, or ITG, is a collaborative effort of companies across the communications industry. Through the ITG, every day we trace back the illegal robo calls that are hitting consumers, older Americans and others, and find out where they are coming from, who is making them, and do what we can to get them off the phone network.

Jamie Renner:

The ITG is designated by the Federal Communications Commission as the official entity responsible for this call traceback process in the United States. And we work very closely with the law enforcement community, including the FTC, the FCC, and State AGs and others to arm them with information to hold illegal robo callers and their enablers accountable. We very much look forward to collaborating with this distinguished group, and thanks again for including us.

Patricia Hsue:

Thanks, Josh. And thank you so much to all of our advisory group members for introducing themselves and for joining us in this effort. Lois Christman will now give an overview of the work that this advisory group will be doing in the upcoming year.

Lois Greisman:

Welcome again, everybody, and thanks Patty, and thanks again to the group members. It's really great to see so many familiar names and faces, and I very much look forward to working with all of you. So the

Stop Senior Scams Act that spurred formation of this advisory group gives us a wonderful opportunity to

