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Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Consumer Protection and Commerce
Thursday, March 21, 2019
2:00 p.m.
State Capitol, Conference Room 329

On the following measure:

H.R. 166, URGING THE UNITED STATES CONGRESS, THE FEDERAL COMMUNICATIONS COMMISSION, AND THE FEDERAL TRADE COMMISSION TO ELIMINATE FRAUDULENT TELEPHONE CALLS

Chair Takumi and Members of the Committee:

My name is Stephen Levins, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department supports this resolution.

The purpose of this resolution is to urge the United States Congress, the Federal Communications Commission, and the Federal Trade Commission to eliminate fraudulent calls, also referred to as robocalls.

The OCP receives and responds to hundreds of consumer complaints each year concerning the disruptive and abusive nature of robocalls. The number of illegal robocalls and corresponding consumer complaints increases each year. In 2017, U.S. landline and wireless subscribers received an estimated 30.5 billion illegal robocalls, breaking the prior national annual record of 29.3 billion robocalls in 2016.

Testimony of DCCA H.R. 166 Page 2 of 2

Robocallers prey on consumers in scams to steal their money or sensitive personal information. For example, some scams involve impersonating government agencies such as the Internal Revenue Service to steal personally identifiable information or a well-known business' technical support to gain remote access to a computer to obtain financial or other sensitive information stored on the computer. The elderly population is particularly vulnerable to scams because seniors are more trusting, are less technologically savvy, and have increased chances of cognitive impairment.

Law enforcement agencies, such as the OCP, have had difficulty identifying and targeting the potential wrongdoers because the calling parties are often located overseas, making enforcement difficult. Because of the nature of this problem, investigations and enforcement actions cannot serve as the sole solution.

Accordingly, urging the federal government to eliminate fraudulent calls through consumer education, legislation, and prosecution is a step in the right direction in the fight to end illegal robocalls.

Thank you for the opportunity to testify on this resolution.