

**Prepared Statement of  
The Federal Trade Commission**

**Before the  
Senate Judiciary Committee**

**on**

**Protecting Older Americans from Financial Exploitation**

**Washington, DC  
June 29, 2016**

Chairman Grassley, Ranking Member Leahy, and members of the Committee, I am Lois Greisman, Associate Director of the Division of Marketing Practices, in the Bureau of Consumer Protection at the Federal Trade Commission (“Commission” or “FTC”).<sup>1</sup> I appreciate the opportunity to appear before you today to provide an overview of current trends concerning the financial exploitation of older Americans,<sup>2</sup> specifically in the context of mass marketing fraud, and the Commission’s actions to address them.

Combatting fraud is a critical component of the FTC’s consumer protection mission. All consumers are potential fraud targets, and older Americans are not necessarily defrauded at higher rates than younger consumers.<sup>3</sup> However, certain types of scams are more likely to impact older Americans, such as prize promotion and lottery schemes<sup>4</sup> and imposter schemes purporting to provide technical support to “fix” non-existent computer problems.<sup>5</sup> As the

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<sup>1</sup> The views expressed in this statement represent the views of the Commission. My oral presentation and responses to questions are my own and do not necessarily reflect the views of the Commission or any individual Commissioner.

<sup>2</sup> References in this testimony to “seniors,” or “older” or “elderly” individuals, means the population age 65 years and older, unless noted otherwise. Statistics in this testimony are generally captured and reported in 10 year age brackets (50-59, 60-69, etc.), but our law enforcement cases identify “older” Americans as 65 and over.

<sup>3</sup> The FTC’s third consumer fraud survey revealed that the overall rate of victimization for consumers age 65 and older was significantly lower than for younger consumers. Fed. Trade Comm’n Bureau of Economics Staff Report, *Consumer Fraud in the U.S., 2011* (“FTC 2011 Consumer Fraud Report”), at 56-59 (Apr. 2013), available at <https://www.ftc.gov/reports/consumer-fraud-united-states-2011-third-ftc-survey>. A fourth consumer fraud survey is in the planning stage. See Press Release, FTC to Conduct Consumer Fraud Survey, (Mar. 25, 2016), available at <https://www.ftc.gov/news-events/press-releases/2016/03/ftc-conduct-consumer-fraud-survey>.

<sup>4</sup> These types of schemes appear to disproportionately affect people age 60 and older. FTC 2011 Consumer Fraud Report at 59.

<sup>5</sup> At an FTC workshop, Courtney Gregoire, a senior attorney with Microsoft’s Digital Crimes Unit, reported that Microsoft had conducted a limited survey that revealed technical support scams disproportionately injured senior citizens. See Fraud Affects Every Community Workshop Transcript (Oct. 29, 2014) (“But the 12.9% that suffered financial loss...fell into the senior citizen category. And that has been our primary focus, as we think about how we address this issue from an

population of older Americans grows rapidly, the FTC's efforts to identify illegal marketing impacting seniors and to bring aggressive law enforcement action, as well as provide useful consumer advice to seniors, become increasingly vital.<sup>6</sup>

As a result, the Commission has taken a multi-faceted approach that encompasses robust law enforcement, strategic policy initiatives, and vigorous consumer education and outreach. This testimony describes the current threat landscape, and then outlines the Commission's various initiatives to protect older Americans.

## **I. Current Threats to Older Americans**

While certain types of scams appear to target seniors specifically, virtually every law enforcement case the Commission brings affects some seniors. To identify and analyze trends, the FTC assesses the marketplace in numerous ways: by tracking consumer complaints; examining empirical data gathered from surveys;<sup>7</sup> and investigating information obtained from collaboration with law enforcement partners, consumer groups, industry members, academics, and others. For example, in 2014, the FTC hosted a workshop called "Fraud Affects Every Community." The workshop brought together consumer advocates, state and federal regulators, fraud prevention experts, industry members, and academics to explore frauds affecting particular

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education and outreach" perspective.), available at <https://www.ftc.gov/news-events/audio-video/video/fraud-affects-every-community-workshop-part-2>.

<sup>6</sup> In its 2014 report, the U.S. Census Bureau stated that by 2050, it projects the population over age 65 to be 83.7 million, nearly double the estimated population of 43.1 million in 2012. See Jennifer Ortman, Victoria Velkoff, & Howard Hogan; U.S. Department of Commerce, U.S. Census Bureau, *An Aging Nation: The Older Population in the United States* ("U.S. Census Aging Nation Report"), at 1 (May 2014), available at <https://www.census.gov/prod/2014pubs/p25-1140.pdf>. By 2030, the U.S. Census Bureau also anticipates that more than 20 percent of U.S. residents will be over age 65, compared to 13 percent in 2010 and 9.8 percent in 1970. *Id.* at 2-3.

<sup>7</sup> *FTC 2011 Consumer Fraud Report*, *supra* note 3, at 59.

groups, including older adults.<sup>8</sup> The FTC will host another workshop in December to examine how consumer demographics in the United States are changing, and how these changes will affect the FTC's consumer protection work.<sup>9</sup> In addition, the FTC hosts Common Ground conferences around the country with state law enforcement partners and legal services advocates to help identify frauds affecting consumers in different communities and to highlight research on successful interventions.<sup>10</sup>

Through these collaborations and our law enforcement experience, the Commission has identified fraudulent marketing practices that affect seniors<sup>11</sup> including: (1) sweepstakes, prize promotions, and lotteries;<sup>12</sup> (2) timeshare sales and re-sales;<sup>13</sup> (3) health care products and

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<sup>8</sup> Press Release, Commission Announces Workshop to Explore How Fraud Affects Different Communities (Sept. 9, 2014), available at <https://www.ftc.gov/news-events/press-releases/2014/09/commission-announces-workshop-explore-how-fraud-affects-different>.

<sup>9</sup> See [https://www.ftc.gov/news-events/events-calendar/2016/12/changing-consumer-demographics?utm\\_source=govdelivery](https://www.ftc.gov/news-events/events-calendar/2016/12/changing-consumer-demographics?utm_source=govdelivery).

<sup>10</sup> The FTC has hosted 30 Common Ground conferences since 2010. See Fed. Trade Comm'n, Common Ground Events Calendar, available at <http://www.consumer.gov/content/common-ground-events-calendar>. The most recent conference, which the FTC co-hosted with the Utah Division of Consumer Protection, took place in Salt Lake City, Utah on October 22, 2015. See Utah Consumer Protection Summit (Oct. 22, 2015), available at <https://www.ftc.gov/news-events/events-calendar/2015/10/utah-consumer-protection-summit>.

<sup>11</sup> Some scams, such as Medicare impostor frauds, may be directed specifically to seniors; others, such as sweepstakes and technical support scams, may be directed at the general population but have a disproportionate impact on seniors; many other frauds may affect seniors no more than younger consumers.

<sup>12</sup> See, e.g., *FTC v. Mail Tree, Inc.*, No. 15-CV-61034-JIC (S.D. Fla. June 12, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3068/mail-tree-inc>. The FTC's third consumer fraud survey revealed that consumers between ages 65 and 74 were more likely to be victims of fraudulent prize promotions than younger consumers. *FTC 2011 Consumer Fraud Report*, *supra* note 3, at 59.

<sup>13</sup> See, e.g., *FTC v. Consumer Collection Advocates, Corp.*, No. 14-CV-62491-BB (S.D. Fla. Sept. 28, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/10/ftc-action-bans-scammers-advance-fee-recovery-business>.

services;<sup>14</sup> (4) investments, business opportunities, and work-from-home programs;<sup>15</sup> (5) technical support services;<sup>16</sup> and (6) charitable donations.<sup>17</sup>

We increasingly see that many scam artists rely on impersonation techniques to get money from consumers. Impersonating a government agency or a company is a technique that scammers deploy to sell many varieties of products and services, including, for example, computer technical support and health-related services. Complaint data from the Consumer Sentinel Complaint database<sup>18</sup> – an online database of complaints maintained by the Commission

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<sup>14</sup> See, e.g., *FTC v. LearningRx Franchise Corp.*, No. 16-cv-01159-RM (D. Colo. May 24, 2016), available at <https://www.ftc.gov/system/files/documents/cases/160524learningrxorder.pdf> (marketing one-on-one “brain training” programs that allegedly combat cognitive impairments); *FTC v. Lumos Labs, Inc.*, No. 16-CV-00001-SK (N.D. Ca. Jan. 8, 2016), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3212/lumos-labs-inc-lumosity-mobile-online-cognitive-game> (marketing games allegedly providing cognitive health benefits); *FTC v. Lifewatch, Inc.*, No. 15-CV-05781 (N.D. Ill. July 6, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3123/lifewatch-inc>. (making deceptive robocalls to sell medical alert devices to seniors); *FTC v. Sun Bright Ventures LLC*, No. 14-CV-02153-JDW-EAJ (M.D. Fla. Oct. 2, 2014), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3217/sun-bright-ventures-llc-gmy-llc>. (posing as Medicare affiliates to obtain seniors’ bank account information and debit their accounts).

<sup>15</sup> See, e.g., *FTC v. Consumer Collection Advocates, Corp.*, No. 14-CV-62491-BB (S.D. Fla. Sept. 28, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/10/ftc-action-bans-scammers-advance-fee-recovery-business>; *FTC v. Money Now Funding, LLC*, No. CV-13-01583 (D. Ariz. June 3, 2015), available at <https://www.ftc.gov/system/files/documents/cases/150820roselukeroyorder.pdf>; *FTC v. The Tax Club*, No. 13-CV-210 (S.D.N.Y. June 2, 2014), available at <https://www.ftc.gov/enforcement/cases-proceedings/122-3071/tax-club-inc-et-al>.

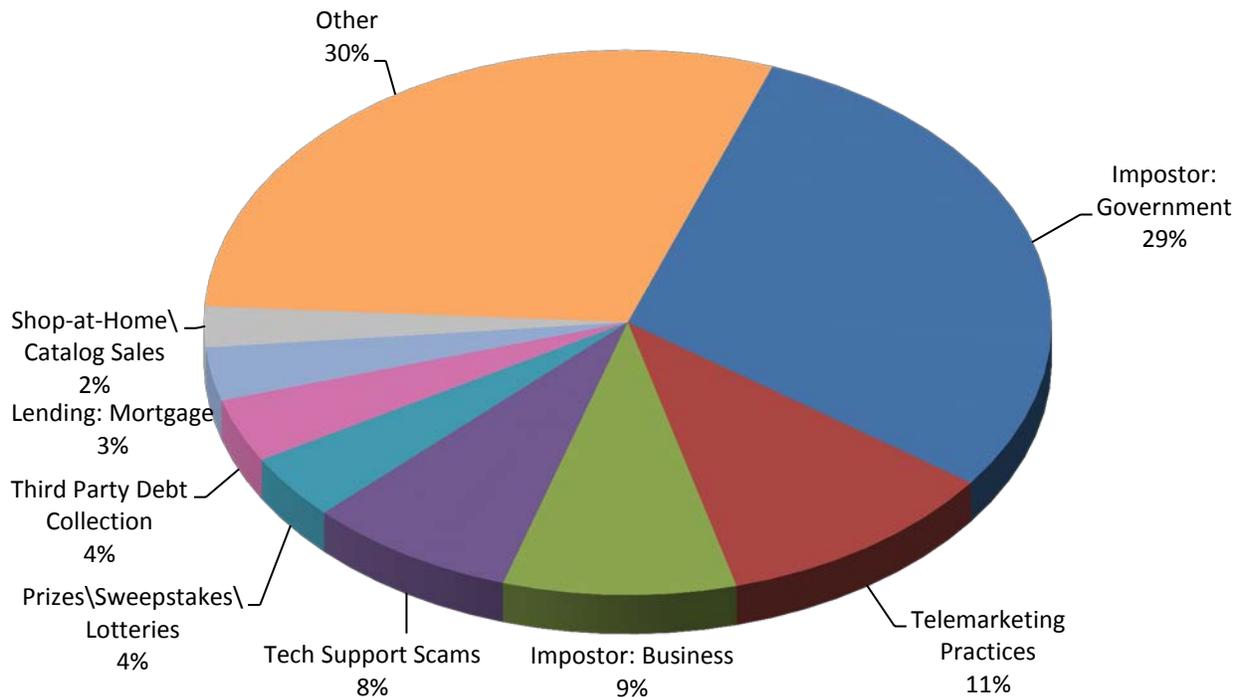
<sup>16</sup> See, e.g., *FTC v. Boost Software, Inc.*, No. 14-CV-81397 (S.D. Fla. Feb. 3, 2016), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3283-x150040/boost-software-inc>; *FTC v. Inbound Call Experts, Inc.*, No. 14-CV-81395 KAM (S.D. Fla. Nov. 19, 2014), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3135/inbound-call-experts-llc>; *FTC v. Pairsys, Inc.*, No. 14-CV-1192 TJM-CFH, (N.D.N.Y. July 21, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3099-x14-0066/pairsys-inc>; *FTC v. Click4Support, LLC*, 2:15-cv-05777-SD (E.D. Pa. Nov. 10, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/152-3172-x160004/click4support-llc>.

<sup>17</sup> See, e.g., *FTC v. Cancer Fund of Am., Inc.*, CV15-884 PHX NVW (D. Ariz. May 19, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/122-3005-x150042/cancer-fund-america-inc>.

<sup>18</sup> In calendar year 2015, the Consumer Sentinel Network received 2,593,159 fraud and other complaints (excluding identity theft and Do-Not-Call registry complaints). Consumers reported

– shows that in 2015, and continuing through May 2016, consumers age 60 and older primarily complained about imposter scams,<sup>19</sup> as well as telemarketing practices<sup>20</sup> and tech support scams.

**Figure 1: Top Product Service Codes for Consumers Age 60 and Over in Consumer Sentinel Network Complaints January 1 - December 31, 2015<sup>21</sup>**



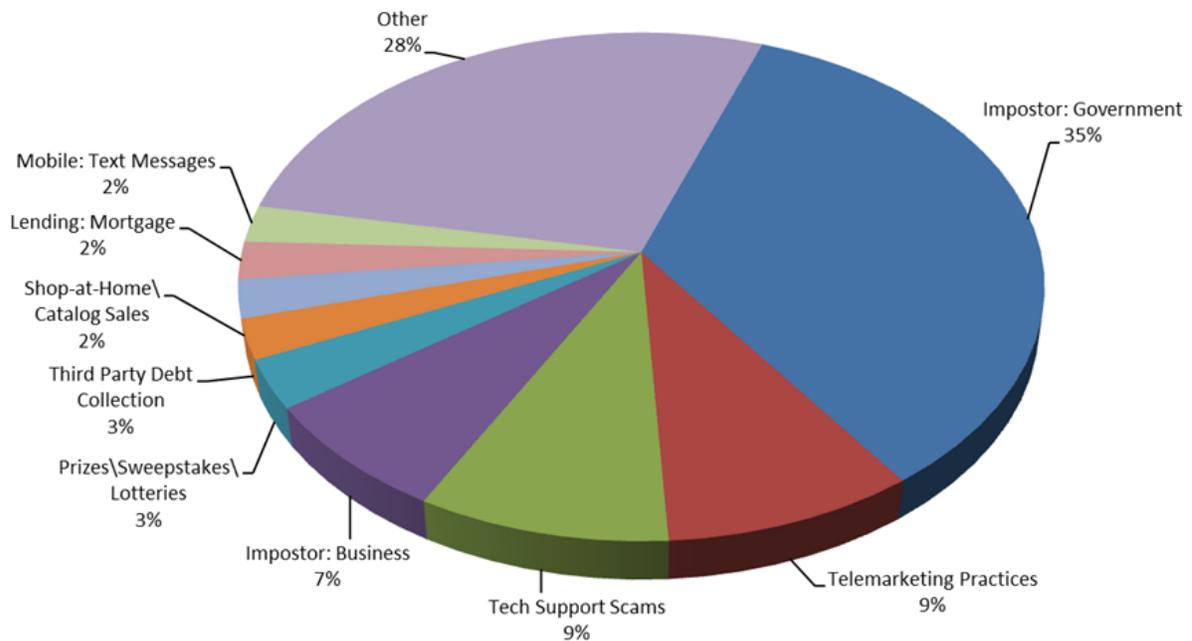
their age in 671,819 (26%) of these complaints, with 220,469 reporting their age as 60 or older. In January through May 2016, Consumer Sentinel received 1,071,346 complaints. Consumers reported their age in 306,811 (29%) of these complaints, with 106,347 reporting their age as 60 or older. For information regarding the Consumer Sentinel Network, which is available to more than 2000 state, local and federal law enforcement agencies, as well as some international partners, see <https://www.ftc.gov/enforcement/consumer-sentinel-network>.

<sup>19</sup> Of those consumers who reported their age as 60 and older in 2015, 29 percent complained about government imposters; from January through May 2016, 35 percent complained about government imposters. By comparison, 18% of such complaints related to government imposter scams in 2014.

<sup>20</sup> Complaints classified as “telemarketing practices” include a broad array of issues with telephone calls. Consumers may select this category as a catch-all for suspicious or annoying telephone calls. The category does not include robocalls or Do-Not-Call registry complaints.

<sup>21</sup> As noted *supra*, percentages are based on the 220,469 complaints where consumers reported their age as 60 and over (out of the total 671,819 who reported their age). These figures exclude Do Not Call registry and identity theft complaints. Note: The section of the chart labeled “Other”

**Figure 2: Top Product Service Codes for Consumers Age 60 and Over in Consumer Sentinel Network Complaints January 1 - May 31, 2016<sup>22</sup>**



In response to these trends, the FTC has focused its efforts in three areas: (1) law enforcement targeting specific types of fraudulent schemes and payment mechanisms; (2) regulations limiting the use of payment mechanisms in telemarketing that enable the quick and irretrievable transfer of money to a fraudster; and (3) clear education messages to help older Americans avoid common fraud schemes.

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represents complaints regarding over 100 other types of products, such as counterfeit checks, credit cards, unsolicited emails, advance-fee loans and credit arrangers, and spyware\adware\malware.

<sup>22</sup> Percentages are based on the 106,347 complaints where consumers reported their age as 60 and over. These figures exclude Do Not Call registry and identity theft complaints. Note: The section of the chart labeled “Other” represents complaints regarding over 100 other types of products, such as counterfeit checks, credit cards, unsolicited emails, advance-fee loans and credit arrangers, and spyware\adware\malware.

## **II. Law Enforcement**

Aggressive law enforcement is crucial to the FTC's efforts to protect older Americans. Though all of the FTC's fraud cases involve elderly consumers as part of the general population, since 2005, the Commission has brought 38 cases alleging that defendants' conduct has *specifically* targeted or disproportionately harmed older adults. Although scams targeting older Americans are diverse and have ranged from sweepstakes to business opportunities, the FTC has in recent years concentrated its law enforcement efforts on online threats and various types of impostor scams.<sup>23</sup> Some examples are technical support scams, health care-related scams, and sweepstakes and prize scams. The FTC also has pursued actions related to the money transfer services that are commonly used in scams affecting older adults, and coordinated efforts with criminal and foreign law enforcement agencies to achieve a broader impact.

### **A. Technical Support Scams**

The explosion of new technologies has created new opportunities for fraud against older Americans. Technical support scams are a particularly pernicious online threat. A typical technical support scam begins when a consumer receives a phone call from someone who claims, "There is a problem with your computer. I will help you fix it." The scammer then proceeds to deceive consumers into purchasing unnecessary, worthless, or even harmful services to "fix" non-existent problems, leading consumers to believe that the technical support worked when, in reality, the computer never had a problem in the first place.

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<sup>23</sup> See Fed. Trade Comm'n, Prepared Statement of the Federal Trade Commission on Combatting Technical Support Scams Before the Special Committee on Aging, United States Senate (Oct. 21, 2015), available at <https://www.ftc.gov/public-statements/2015/10/prepared-statement-federal-trade-commission-combatting-technical-support-0>.

In response to increased consumer frustration with this particular scheme, the FTC created a new complaint category, “tech support scams,” in January 2015 to better track its prevalence. In calendar year 2015, the FTC received 39,921 complaints about tech support scams, with a reported consumer loss of more than \$8 million. Significantly, this scam appears to have a disproportionate impact on older consumers.<sup>24</sup> In 2015, 76 percent of consumers reporting tech support scams (who also provided their age to the FTC) were over age 50, and 56 percent were over age 60.<sup>25</sup>

The FTC has filed numerous cases against defendants engaged in these deceptive practices.<sup>26</sup> For example, in a case that settled last fall,<sup>27</sup> the FTC sued overseas telemarketers who falsely claimed to be affiliated with major computer or Internet security companies. The FTC alleged that the telemarketers told consumers that their computers were riddled with viruses and malware and then offered to “fix” these non-existent problems for several hundred dollars.

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<sup>24</sup> See *supra* note 5.

<sup>25</sup> Although providing personal information such as age is not required to file a complaint, 31,505 technical support scam complainants provided age information.

<sup>26</sup> In addition to the cases described below, the FTC launched a major international crackdown in 2012, halting six tech support scams primarily based in India that targeted consumers in the United States and other English speaking countries. *FTC v. Pecon Software Ltd.*, No. 12-CV-7186 (S.D.N.Y. July 10, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/1123118/pecon-software-ltd-et-al>; *FTC v. Marczak*, No. 12-CV-7192 (S.D.N.Y. July 10, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/1223246/virtual-pc-solutions-mikael-marczak-aka-michael-marczak-et-al>; *FTC v. Finmaestros, LLC*, No. 12-CV-7195 (S.D.N.Y. July 10, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/1223247/finmaestros-llc-et-al>; *FTC v. Lakshmi Infosoul Servs. Pvt Ltd.*, No. 12-CV-7191 (S.D.N.Y. July 10, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/1223245/lakshmi-infosoul-services-pvt-ltd>; *FTC v. PCCare247 Inc.*, No. 12-CV-7189 (S.D.N.Y. July 10, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/122-3243-x120057/pccare247-inc-et-al>.

<sup>27</sup> *FTC v. Pairsys, Inc.*, No. 14-CV-1192 TJM-CFH (N.D.N.Y. July 21, 2015), available at <https://www.ftc.gov/system/files/documents/cases/151020pairsysorder.pdf>.

In the settlement, the defendants agreed to relinquish most of their assets.<sup>28</sup> Similarly, in three other cases, the FTC charged defendants with tricking consumers into believing there are problems with their computers and selling technical support products and services to fix these consumers' non-existent problems with their computers.<sup>29</sup> One of these cases recently settled,<sup>30</sup> and the other two remain in litigation. Technical support scams have caused hundreds of millions of dollars in injury. The agency continues to actively seek law enforcement targets in this area, consulting with its state and federal partners, as well as industry members, and it has additional investigations underway.<sup>31</sup>

## **B. Health Care**

Many scammers take advantage of technological advancements in the phone system to blast millions of prerecorded messages, or robocalls,<sup>32</sup> to seniors.<sup>33</sup> These scams often involve

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<sup>28</sup> See Press Release, Operators of Alleged Tech Support Scam Settle FTC Charges, Will Surrender Money and Property (Oct. 20, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/10/operators-alleged-tech-support-scam-settle-ftc-charges-will>.

<sup>29</sup> See, e.g., *FTC v. Click4Support, LLC*, 2:15-cv-05777-SD (E.D. Pa. Nov. 10, 2015), available at <https://www.ftc.gov/system/files/documents/cases/151113click4supportprelim.pdf>; *FTC v. Inbound Call Experts, Inc.*, No. 14-CV-81395 (S.D. Fla. Nov. 19, 2014), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3135/inbound-call-experts-llc>

<sup>30</sup> *FTC v. Boost Software, Inc.*, No. 14-CV-81397 (S.D. Fla. Feb. 3, 2016), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3283-x150040/boost-software-inc> and [https://www.ftc.gov/system/files/documents/cases/160620boostorder-omg.pdf?utm\\_source=govdelivery](https://www.ftc.gov/system/files/documents/cases/160620boostorder-omg.pdf?utm_source=govdelivery) (June 20, 2016 settlement as to Vast Tech Support, LLC and OMG Tech Help, LLC).

<sup>31</sup> In May of this year, the FTC convened an international roundtable discussion about India-based technical support scams. See discussion *infra* II.D. at 15.

<sup>32</sup> Almost all robocalls have been illegal since 2009. Changes in technology have led to an immense source of consumer frustration – the blasting of prerecorded messages that primarily rely on Voice over Internet Protocol (“VoIP”) technology. The FTC currently receives an average of 300,000 robocall complaints per month.

<sup>33</sup> Just this month, the FTC, together with the Florida Attorney General, obtained a court order temporarily shutting down a company that bombarded consumers with illegal robocalls in an attempt to sell them bogus credit-card interest rate reduction and debt relief services. The FTC alleged that in some instances, the defendants specifically tailored their debt elimination pitch to consumers over

the sale of health-related goods or services such as medical alert devices or discounts for medical or pharmaceutical services. For example, in *FTC v. Worldwide Info Services, Inc.*, the FTC took action against telemarketers who used robocalls to pitch monitoring services for a purportedly “free” medical alert system that a friend, family member, or other acquaintance had bought for the consumer. In reality, no one had agreed to purchase the system, and the company charged consumers, many of whom were elderly, \$34.95 per month for monitoring.<sup>34</sup> The settlement with Worldwide and related companies permanently bans the defendants from making robocalls.<sup>35</sup> The FTC alleges, however, that Worldwide was actually telemarketing for another company called Lifewatch, Inc., which was responsible for Worldwide’s illegal conduct. The FTC and the Florida Attorney General sued Lifewatch last year, seeking to end its illegal activities.<sup>36</sup> The government charged that even after Worldwide was shut down, Lifewatch simply continued its deceptive telemarketing campaign using a variety of other telemarketers. That case remains in litigation.

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age 60. In all, the FTC believes the defendants’ robocall scheme bilked consumers out of more than \$15.6 million since 2013. See *FTC v. Life Management Services of Orange County, LLC*, 6:16-cv-982-Orl-41TBS (M.D. Fla. June 8, 2016), available at <https://www.ftc.gov/system/files/documents/cases/160614lmdtro.pdf>.

<sup>34</sup> *FTC v. Worldwide Info Services, Inc.*, No. 6:14-cv-8-ORL-28DAB (M.D. Fla. Jan. 6, 2014), available at <http://www.ftc.gov/enforcement/cases-proceedings/132-3175/worldwide-info-services-inc>.

<sup>35</sup> Press Release, Settlement with FTC and Florida Attorney General Stops Operations that Used Robocalls to Fraudulently Pitch Medical Alert Devices to Seniors (Nov. 13, 2014), available at <https://www.ftc.gov/news-events/press-releases/2014/11/settlement-ftc-florida-attorney-general-stops-operations-used>.

<sup>36</sup> *FTC v. Lifewatch, Inc.*, No. 15-CV-05781 (N.D. Ill. July 6, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3123/lifewatch-inc>; see Press Release, FTC, Florida Attorney General Sue to Stop Deceptive Robocalls from Operation that Pitched Seniors “Free” Medical Alert Systems (July 6, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/07/ftc-florida-attorney-general-sue-stop-deceptive-robocalls>.

Other scammers have falsely claimed an affiliation with government agencies to prey on consumers' fear of losing a government health benefit. For example, in *FTC v. Sun Bright Ventures, LLC*, the FTC charged that defendants pretended to be part of Medicare and tricked older Americans into divulging their bank account information by saying it was required to obtain a new Medicare card or to receive important information about Medicare benefits. The FTC alleged that, once the defendants obtained the bank account information, they debited consumers' accounts by initiating a remotely-created check that the consumer never saw or authorized.<sup>37</sup> The FTC sued Sun Bright Ventures and the individuals running it, seeking a temporary restraining order along with an asset freeze. As part of the settlement, defendants are permanently banned from selling healthcare-related products and from debiting bank accounts by creating or depositing remotely-created checks or a similar payment mechanism, remotely-created payment orders.<sup>38</sup>

The FTC also actively monitors and takes action against advertisers that, while not engaged in fraud, make unsubstantiated or false claims about the health or cognitive benefits of their products. For example, just last month, the FTC sued Learning RX Franchise Corp., alleging that the developers and marketers of a "brain training" program made deceptive claims that their programs were clinically proven to permanently improve severe cognitive impairments such as Alzheimer's.<sup>39</sup> Similarly, Lumos Labs, the creators and marketers of the Lumosity

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<sup>37</sup> *FTC v. Sun Bright Ventures LLC*, No. 14-CV-02153-JDW-EAJ (M.D. Fla. Oct. 2, 2014), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3217/sun-bright-ventures-llc-gmy-llc>.

<sup>38</sup> Press Release, FTC Action: Scammers Banned from Selling Healthcare Products (July 27, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/07/ftc-action-scammers-banned-selling-healthcare-products>.

<sup>39</sup> *FTC v. LearningRx Franchise Corp.*, No. 16-cv-01159-RM (D. Colo. May 24, 2016), available at <https://www.ftc.gov/system/files/documents/cases/160524learningrxorder.pdf>;

“brain training” program settled charges with the FTC last year. In that case, the FTC alleged that the defendants deceived consumers with unfounded claims that Lumosity games can help users reduce or delay cognitive impairment associated with age and other serious health conditions.<sup>40</sup> The settlement requires Lumos Labs to pay \$2 million in redress, to notify subscribers of the FTC action, and to provide consumers with an easy way to cancel their auto-renewal to avoid future billing.

### **C. Money Transfer Services**

Complementing these enforcement actions, the FTC has also taken action against the money transfer services commonly used in scams targeting older Americans. These money transfer services are particularly pernicious because the consumer is effectively sending cash to the scam artist, and there is no way for a consumer to get his money back once he discovers he has been deceived. For example, in 2009, the Commission charged that MoneyGram allowed telemarketers to bilk U.S. consumers out of tens of millions of dollars using its money transfer system.<sup>41</sup> MoneyGram’s settlement with the FTC required it to pay \$18 million in restitution to

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Press Release, Marketers of One-on-One ‘Brain Training’ Programs Settle FTC Charges That Claims about Ability to Treat Severe Cognitive Impairments Are Unsupported (May 18, 2016), *available at* <https://www.ftc.gov/news-events/press-releases/2016/05/marketers-one-one-brain-training-programs-settle-ftc-charges>.

<sup>40</sup> *FTC v. Lumos Labs, Inc.*, No. 16-CV-00001-SK (N.D. Ca. Jan. 8, 2016), *available at* <https://www.ftc.gov/enforcement/cases-proceedings/132-3212/lumos-labs-inc-lumosity-mobile-online-cognitive-game>.

<sup>41</sup> *FTC v. MoneyGram Int’l, Inc.*, No. 1:09-cv-06576 (N.D. Ill. Oct. 19, 2009). The FTC charged that MoneyGram knew that its system was being used to defraud people, many of whom were elderly, but did very little about it. For example, the FTC alleged that MoneyGram knew, or avoided knowing, that about 131 of its more than 1,200 agents accounted for more than 95 percent of the fraud complaints MoneyGram received in 2008 regarding money transfers to Canada. The Commission further alleged that MoneyGram ignored warnings from law enforcement officials and its own employees that widespread fraud was being conducted over its network, and even discouraged its employees from enforcing its own fraud prevention policies or taking action against suspicious or corrupt agents. *See* Press Release, FTC, MoneyGram to Pay \$18 Million to Settle FTC Charges That it Allowed its Money

settle the charges. The FTC is currently investigating whether another money transfer service company – Western Union – has used effective procedures to stop consumers from sending funds to perpetrators of fraud, here and abroad, using its money transfer network.<sup>42</sup>

In addition to its enforcement efforts, the FTC continues to collaborate informally with money transfer companies, reloadable prepaid card services, retailers, financial institutions, and other private sector entities to improve their fraud-prevention practices.

#### **D. Coordinating with Criminal and Foreign Law Enforcement Agencies**

The Commission has collaborated extensively with criminal and foreign law enforcement agencies to combat fraud, including scams affecting the elderly. In 2003, the Commission created the Criminal Liaison Unit (“CLU”) and, since that time, hundreds of fraudsters have faced criminal charges and prison time as a result of FTC prosecution referrals. For example, last year, the Commission filed an action against Mail Tree, Inc. for running a global

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Transfer System To Be Used for Fraud (Oct. 20, 2009), available at <http://www.ftc.gov/news-events/press-releases/2009/10/moneygram-pay-18-million-settle-ftc-charges-it-allowed-its-money>.

The Department of Justice subsequently negotiated a deferred prosecution agreement, pursuant to which MoneyGram paid an additional \$100 million to victims of fraud. See *United States v. MoneyGram Int’l, Inc.*, No. 1:12-CR-00291, D.E. 3 (M.D. Pa. Nov. 9, 2012); *Pending Criminal Division Cases – United States v. MoneyGram International*, U.S. Dep’t of Justice, <http://www.justice.gov/criminal/vns/caseup/moneygram.html> (last visited June 13, 2016). In addition, in 2008, forty-five state attorneys general entered into a \$1.2 million multi-state settlement with MoneyGram. See Press Release, Office of the Vermont Attorney General, Attorney General Announces \$1.2 Million Settlement With MoneyGram (July 2, 2008), available at <http://ago.vermont.gov/focus/news/attorney-general-announces-1.2-million-settlement-with-moneygram.php>.

<sup>42</sup> *FTC v. The Western Union Co.*, No 13-3100, Brief of Appellant [D.E. #49] at 1 (2d Cir. Nov. 27, 2013) (filing in litigation to enforce FTC civil investigative demand served on Western Union). In 2005, forty-eight state attorneys general entered into an \$8.1 million multi-state settlement with Western Union to resolve charges that the company failed to take steps to stop fraudsters from using its money transfer system to defraud consumers. See Press Release, Office of the Vermont Attorney General, Western Union Enters Into Settlement With Attorneys General (Nov. 14, 2005), available at <http://ago.vermont.gov/focus/news/western-union-enters-into-settlement-with-attorneys-general.php>.

sweepstakes scam that targeted senior citizens.<sup>43</sup> Through coordination by CLU, criminal authorities filed a companion case indicting four individuals in connection with the sweepstakes operation.<sup>44</sup>

Given the cross-border nature of many scams, the Commission also partners with foreign agencies to combat scams that impact the elderly. For example, the Commission is a member of the Centre of Operations Linked to Telemarketing Fraud (“Project COLT”), a joint operation involving U.S. and Canadian agencies to combat cross-border telemarketing fraud.<sup>45</sup> Through this operation, the FTC coordinates law enforcement efforts and exchanges intelligence with Canadian authorities. The FTC’s involvement in Project COLT has resulted in at least ten indictments of individuals involved in grandparent<sup>46</sup> and timeshare scams.<sup>47</sup> Since its inception

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<sup>43</sup> *FTC v. Mail Tree, Inc.*, No. 15-CV-61034-JIC (S.D. Fla. May 21, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3068/mail-tree-inc>; Press Release, FTC Action Halts Global Sweepstakes Scam (May 21, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/05/ftc-action-halts-global-sweepstakes-scam>. A federal court has temporarily halted the operation of the Florida-based scam, which netted at least \$28 million from consumers in the United States and other countries. The case is in litigation.

<sup>44</sup> Press Release, FTC Action Halts Global Sweepstakes Scam (May 21, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/05/ftc-action-halts-global-sweepstakes-scam>; Press Release, Four South Florida Residents Charged in Sweepstakes Fraud Scheme (May 21, 2015), available at <http://www.justice.gov/usao-sdfl/pr/four-south-florida-residents-charged-sweepstakes-fraud-scheme>.

<sup>45</sup> Project COLT members include the Royal Canadian Mounted Police, Surûête du Quûbec, Service de Police de la Ville de Montrûal, Canada Border Services Agency, Competition Bureau of Canada, Canada Post, Canadian Anti-fraud Centre, Financial Transactions and Reports Analysis Centre of Canada, U.S. Homeland Security (U.S. Immigration and Customs Enforcement and the U.S. Secret Service), the U.S. Postal Inspection Service, the FTC, and the FBI.

<sup>46</sup> A grandparent scam involves an imposter claiming to be a grandchild in need of immediate financial help, such as money to get out of jail or to cover hospital costs. Many perpetrators in these types of cases are located overseas. *See, e.g., U.S. v. Kirstein, Buchan, El Bernachawy, Iacino, & Kamaldin*, No. CR 13 00469 (C.D. Cal. July 9, 2013); Press Release, FBI, Alleged Operator of “Grandparent Scam” Indicted (Oct. 26, 2012), available at <http://www.fbi.gov/losangeles/press-releases/2012/alleged-operator-of-grandparent-scam-indicted>.

<sup>47</sup> *See, e.g.,* Press Release, FBI, Owner of Timeshare Telemarketing Fraud Sentenced to 20 Years in Prison (Jan. 29, 2014), available at <http://www.fbi.gov/miami/press-releases/2014/owner-of-timeshare-telemarketing-fraud-sentenced-to-20-years-in-prison>; Press Release, United States Attorney’s Office for the Northern District of Georgia, Adams Sentenced to Over 17 Years in Prison for Multi-

in 1998, Project COLT has recovered more than \$26 million for victims of telemarketing fraud.

The FTC is also a member of the Jamaican Operations Linked to Telemarketing Task Force (“Project JOLT”). Project JOLT is a multi-agency task force consisting of U.S. and Jamaican law enforcement agencies working cooperatively to combat Jamaican-based fraudulent telemarketing operations that target U.S. consumers.<sup>48</sup> The FTC shares information, investigative resources, and complaint data with other JOLT members. The Commission has supported multiple prosecutions in partnership with Project JOLT, including prosecutions for scams that targeted the elderly and impersonated government agencies to promote fake lottery schemes. For example, in November 2015, a federal judge sentenced a Jamaican citizen to 20 years in prison for his leading role in a lottery scam that involved threats of physical harm to older American consumers who lost anywhere from \$300 to \$850,000.<sup>49</sup>

Another area of international concern involves Indian call centers, which like their Jamaican counterparts, continue to be the source of various imposter frauds that have reached consumers throughout the English-speaking world. In addition to our enforcement cases, the FTC has organized three stakeholder meetings, including two in India, to develop a coordinated and multi-prong approach to this threat. The most recent event, held this May in Washington,

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Million Dollar Telemarketing Fraud Scheme (Feb. 9, 2012), *available at* <http://www.justice.gov/archive/usao/gan/press/2012/02-09-12.html>.

<sup>48</sup> JOLT members include the FTC, Immigration and Customs Enforcement, the Department of Homeland Security, the Department of Justice, the Postal Inspection Service, the FBI, and Jamaican law enforcement agencies.

<sup>49</sup> The fraudulent lottery scheme targeted victims over age 55 in the United States. A jury found Sanjay Williams guilty of belonging to a conspiracy to call older consumers, and inform them that they had won a large amount of money in a lottery. The fraudsters induced victims to pay bogus fees in advance of receiving their purported lottery winnings. To extract more and more money from the victims, the scammers often threatened the victims and their families with physical harm. *See* Press Release, U.S. Dep’t of Justice, Jamaican Man Sentenced To Prison For Involvement In International Lottery Fraud Scheme (Nov. 25, 2015), *available at* <https://www.justice.gov/usao-nd/pr/jamaican-man-sentenced-prison-involvement-international-lottery-fraud-scheme>.

D.C., included representatives from several major technology companies, U.S., Canadian and U.K. law enforcement, the Indian call center industry group, and Indian government officials. One result of this collaboration is a four-city law enforcement training in India this summer, in which the FTC is participating, aimed at developing Indian law enforcement's capacity to arrest and prosecute the India-based individuals who perpetrate these frauds. The FTC will also continue to develop cross-border initiatives with our sister enforcement agencies in Canada and the United Kingdom.

The FTC, with the Department of Justice, also organizes and participates in the International Mass Marketing Fraud Working Group, a multi-lateral network of agencies that enforce laws prohibiting mass marketing fraud. The network was useful in recent enforcement actions against an individual and two Dutch companies that allegedly “defrauded elderly and vulnerable U.S. victims out of tens of millions of dollars” through multiple Netherlands-based international mail fraud sweepstakes schemes.<sup>50</sup> The FTC provided critical information to the DOJ, which in turn coordinated with Dutch authorities in the investigation.

### **III. Policy Initiatives**

The FTC's robust and longstanding law enforcement program has revealed systemic and regulatory weaknesses in certain payment methods favored by fraudsters to steal money from consumers with less risk of detection. Because these payment methods are not subject to centralized monitoring used to detect and deter fraud, perpetrators of fraud use them to escape the heightened scrutiny and monitoring of more conventional payment systems. In addition, these payment methods are not covered by the same federal consumer protection laws as

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<sup>50</sup> Press Release, U.S. Dep't of Justice, Justice Department And Dutch Authorities Announce Simultaneous Enforcement Actions Against International Mass-Mailing Fraud Schemes Targeting The Elderly (June 2, 2016), available at <https://www.justice.gov/usao-edny/pr/justice-department-and-dutch-authorities-announce-simultaneous-enforcement-actions>.

conventional payments. After the money has been stolen, these payment methods make it more difficult, if not impossible, to reverse the transaction. In some cases, fraudsters demand payment via money transfers or cash reload mechanisms, cash-like payment methods that are virtually anonymous and irrevocable after the money is received by the fraudster. Other times, perpetrators obtain consumer bank account information and initiate unauthorized withdrawals from consumer accounts using remotely-created checks, which can expose a consumer's entire bank account to theft. In *FTC v. First Consumers*, for example, the defendants cold-called seniors claiming to sell fraud protection, legal protection, and pharmaceutical benefit services for several hundred dollars. In some cases, the defendants pretended to be affiliated with a financial institution or government agency in order to gain consumers' trust. Once the consumers disclosed their bank account information, the defendants used remotely-created checks to take consumers' funds right out of their bank accounts.<sup>51</sup> The FTC took action to halt the defendants' illegal activities. Two defendants settled with the FTC and were barred from using remotely-created checks. The FTC won summary judgment against the remaining defendants, permanently barring them not only from using remotely-created checks, but from all telemarketing activities. The court also awarded the FTC a \$10.7 million judgment against the non-settling defendants. Many other FTC cases against fraudulent telemarketing operations contain similar facts.<sup>52</sup>

Seeking to protect consumers from such tactics, the FTC recently amended the Telemarketing Sales Rule ("TSR") to bar sellers and telemarketers from accepting three payment

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<sup>51</sup> *FTC v. First Consumers, et al.*, No. 14-1608 (E.D. Pa. Feb. 19, 2015), available at <https://www.ftc.gov/enforcement/cases-proceedings/132-3291/first-consumers-et-al>.

<sup>52</sup> See Telemarketing Sales Rule Statement of Basis and Purpose, 80 Fed.Reg. 77520 (Dec. 14, 2015), pp. 77528-29, available at <https://www.ftc.gov/policy/federal-register-notices/16-cfr-part-310-telemarketing-sales-rule-final-rule-amendments> (amending the Telemarketing Sales Rule to bar the use of certain payment methods).

methods in the context of telemarketing: remotely-created payment orders (which include remotely-created checks), cash-to-cash money transfers, and cash reload mechanisms.<sup>53</sup> The changes prohibit telemarketers from debiting consumer bank accounts by using unsigned checks and “payment orders” that have been created by the payee. The amendments, which became effective on June 13, 2016, also bar the use in telemarketing of cash-to-cash money transfers or cash reload mechanisms<sup>54</sup> that scammers rely on to get money quickly and anonymously from consumer victims. While legitimate telemarketers shun these payment methods, they are the payment methods of choice for scam artists. Between January 1, 2012, and December 31, 2015, the Consumer Sentinel database received 468,576 consumer complaints that reported the method of payment as a “wire transfer” – which includes cash-to-cash money transfers – and accounted

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<sup>53</sup> Press Release, FTC Amends Telemarketing Rule to Ban Payment Methods Used by Scammers (Nov. 18, 2015), *available at* <https://www.ftc.gov/news-events/press-releases/2015/11/ftc-amends-telemarketing-rule-ban-payment-methods-used-scammers>. Commissioner Ohlhausen voted no and issued a separate statement dissenting in part.

<sup>54</sup> A cash reload mechanism acts as a virtual deposit slip for consumers who wish to load funds onto a general-use prepaid debit card without using a bank transfer or direct deposit. A consumer simply pays cash, plus a small fee, to a retailer that sells cash load mechanisms such as MoneyPak or Reloadit. In exchange, the consumer receives a unique access or authorization code that corresponds with the specific amount of funds paid. A consumer can use the authorization or access code to load the funds onto any existing prepaid debit card within the same prepaid network or an online account with payment intermediary (*e.g.* PayPal) using the phone or internet. Telemarketing Sales Rule Statement of Basis and Purpose, 80 Fed. Reg. at 77523, *available at* <https://www.ftc.gov/policy/federal-register-notices/16-cfr-part-310-telemarketing-sales-rule-final-rule-amendments> (amending the Telemarketing Sales Rule to bar the use of certain payment methods). After the Commission issued its Final Rule, GreenDot voluntarily withdrew MoneyPak from the marketplace. Written Statement of Green Dot Corporation For U.S. Senate Special Committee on Aging Hearing “Hanging Up on Phone Scams: Progress and Potential Solutions to this Scourge,” 2 (July 16, 2014), *available at* [http://www.aging.senate.gov/imo/media/doc/Green\\_Dot\\_7\\_16\\_14.pdf](http://www.aging.senate.gov/imo/media/doc/Green_Dot_7_16_14.pdf). Other cash reload providers announced similar changes. For example, Blackhawk Network testified in November 2014 that it has eliminated the use of its Reloadit pack to apply funds directly to any existing GPR card. Testimony of William Tauscher, Chairman and Chief Executive Officer, Blackhawk Network Holdings, Inc. Before United States Senate Special Committee on Aging, Hearing: “Private Industry’s Role in Stemming the Tide of Phone Scams,” at 3 (Nov. 19, 2014), *available at* [http://www.aging.senate.gov/imo/media/doc/Tauscher\\_11\\_19\\_141.pdf](http://www.aging.senate.gov/imo/media/doc/Tauscher_11_19_141.pdf).

for more than \$1.6 billion in total reported consumer injury. These TSR amendments provide bright-line guidance to the telemarketing industry and to consumers. The amendments encourage legitimate telemarketers, who have not used these payment methods, to continue steering clear of them, and make it easier for payment processors to identify and cut off those telemarketers who do use these payment methods. Most importantly, these rules help consumers to identify fraudsters more easily, and to reject categorically telemarketers who request these forms of payment.

#### **IV. Consumer Education and Outreach**

Public outreach and education is another essential means to advance the FTC's consumer protection mission. The Commission's education and outreach programs reach tens of millions of people a year through our website, the media, and partner organizations that disseminate consumer information on the agency's behalf. The FTC delivers actionable, practical, plain language materials on dozens of issues, and updates its consumer education whenever it has new information to share. The Commission's library of articles in English and Spanish includes numerous pieces of particular relevance to seniors, including those specifically describing grandparent scams,<sup>55</sup> prize and lottery fraud,<sup>56</sup> medical alert scams,<sup>57</sup> Medicare scams,<sup>58</sup>

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<sup>55</sup> See *Family Emergency Scams*, FTC, <http://www.consumer.ftc.gov/media/audio-0052-family-emergency-scams>; *Family Emergency Scams*, FTC, <http://www.consumer.ftc.gov/articles/0204-family-emergency-scams>.

<sup>56</sup> See *Prize Scams*, FTC, <http://www.consumer.ftc.gov/articles/0199-prize-scams>.

<sup>57</sup> See Colleen Tressler, *To Robocall Scammers Who Lied About Free Medical Alert Devices: We've Got Your Number*, FTC (Jan. 13, 2014), <http://www.consumer.ftc.gov/blog/robocall-scammers-who-lied-about-free-medical-alert-devices-weve-got-your-number>; Bridget Small, *Robocall Scams Push Medical Alert Systems*, FTC (July 18, 2013), <http://www.consumer.ftc.gov/blog/robocall-scams-push-medical-alert-systems>.

<sup>58</sup> See Aditi Jhaveri, *Medicare imposters want to steal your money. Don't let them*, FTC (Jan. 12, 2016), <http://www.consumer.ftc.gov/blog/medicare-imposters-want-steal-your-money-dont-let>.

technical support scams,<sup>59</sup> veterans' benefits scams,<sup>60</sup> and government imposter fraud.<sup>61</sup>

Just today, the FTC is releasing a new video about how one fraud affected a retired teacher.<sup>62</sup> She powerfully describes how the imposter scam unfolded, and is emphatic about helping others avoid financial loss. The new video is part of a video series the FTC has created to encourage people to talk about the frauds they experience. People who talk about a suspected fraud are much less likely to incur a financial loss, and they are also able to help their friends and family avoid scams, as well.

In addition, in 2014, the FTC created Pass It On, an innovative education effort aimed at active, older adults. Pass It On seeks to arm older people with information that they can “pass on” to family and friends who might need it. The materials and videos available at [www.ftc.gov/PassItOn](http://www.ftc.gov/PassItOn) are direct and to the point, with a friendly and respectful tone informed by research about the target community's preferences. The materials cover topics such as

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[them](#); Colleen Tressler, *Medicare 'Open Enrollment' Scams*, FTC (Nov. 5, 2015), <http://www.consumer.ftc.gov/blog/medicare-open-enrollment-scams>.

<sup>59</sup> See Andrew Johnson, *Official-Sounding Calls About an Email Hack*, FTC (April 5, 2016), <https://www.consumer.ftc.gov/blog/official-sounding-calls-about-email-hack>; Lisa Schifferle, *FTC Cracks Down on Tech Support Scams*, FTC (Nov 19, 2014), <http://www.consumer.ftc.gov/blog/ftc-cracks-down-tech-support-scams>; Nicole Fleming, *Getting Your Money Back After a Tech Support Scam*, FTC (Nov. 13, 2013) <http://www.consumer.ftc.gov/blog/getting-your-money-back-after-tech-support-scam>; Lesley Fair, *At the Boiling Point About "Tech Support" Boiler Rooms*, FTC (Oct. 3, 2012), <https://www.ftc.gov/news-events/blogs/business-blog/2012/10/boiling-point-about-tech-support-boiler-rooms>.

<sup>60</sup> See Carol Kando-Pineda, *Veterans: Don't let scammers bilk your benefits*, FTC (Nov. 9, 2015), <http://www.consumer.ftc.gov/blog/veterans-dont-let-scammers-bilk-your-benefits>.

<sup>61</sup> See *Government Imposter Scams*, FTC, <http://www.consumer.ftc.gov/articles/0048-government-imposter-scams>; *Government Imposter Scams*, FTC, <http://www.consumer.ftc.gov/media/audio-0053-government-imposter-scams>; Amy Hebert, *Scammers Continuing to Pose as IRS Agents*, FTC (May 29, 2014), <http://www.consumer.ftc.gov/blog/scammers-continuing-pose-irs-agents>; Lisa Lake, *Fake IRS Collectors Are Calling*, FTC (Apr. 7, 2014), <http://www.consumer.ftc.gov/blog/fake-irs-collectors-are-calling>.

<sup>62</sup> The video is available at [ftc.gov/EveryCommunity](http://ftc.gov/EveryCommunity).

imposter and health care scams, charity fraud, and identity theft,<sup>63</sup> all of which are available in print in both English and Spanish. In 2016, the FTC added new materials on specific imposter scams: IRS, tech support, grandparent, and romance scams. These materials are available at [www.ftc.gov/PassItOnImposters](http://www.ftc.gov/PassItOnImposters).

The Commission seeks to reach older adults where they gather and live: libraries, social and civic clubs, senior centers, adult living communities, and veterans' facilities. When the FTC mailed sample Pass It On information folders to three thousand such facilities, within three days it received orders from around the country for more than two thousand copies of the materials. This confirmed the demand for clear, friendly, respectful education materials for older Americans. The Commission looks forward to continuing to share these materials with public and private sector organizations.

Pass It On resources complement the FTC's other outreach and coordination activities on behalf of older people. For instance, we work extensively with the Elder Justice Coordinating Council to identify cross-agency initiatives to protect seniors from abuse, neglect, and exploitation, and other crimes.<sup>64</sup> The Commission has coordinated with the American Association of Retired Persons Foundation to refer for individual peer counseling consumers over age 60 who have called the FTC's Consumer Response Center with complaints about

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<sup>63</sup> The FTC's Pass It On materials include a folder containing one-page articles and bookmarks that explain, in easy-to-understand language, how six of the most popular scams work and steps consumers can take to avoid falling victim to them.

<sup>64</sup> The Secretary of the Department of Health and Human Services ("DHHS") convened the Elder Justice Coordinating Council in accordance with the Elder Justice Act of 2009. The Council consists of heads of federal departments and other government entities, including the FTC, identified as having responsibilities, or administering programs, relating to elder abuse, neglect, and exploitation. The Council's mission is to develop recommendations to the DHHS Secretary for the coordination of relevant activities. See Elder Justice Coordinating Council, *Facts*, <http://Itcombudsman.org/uploads/files/issues/elder-justice-coordinating-council-factsheet.pdf> (last visited June 13, 2016).

certain frauds, including lottery, prize promotion, and grandparent scams. And, the FTC collaborated with the Consumer Financial Protection Bureau and the National Area Agencies on Aging (N4A) to help produce a brochure for older adults on avoiding home improvement scams.<sup>65</sup>

## **V. Conclusion**

The Commission is committed to protecting all consumers from fraud in the marketplace. To address scams that target older Americans, the agency will continue to employ a combination of law enforcement, informed policy proposals, and effective consumer education messages. Moreover, the Commission will continue to identify areas in which new policy and law enforcement approaches are warranted. The Commission looks forward to working with the Committee on this important issue.

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<sup>65</sup> Home Improvement Scams – Tools to Reduce Your Risk, *available at* <http://www.n4a.org/Files/N4a-HI-Scams-brochure-access.pdf>. N4A released the brochure on June 15, to coincide with World Elder Abuse Awareness Day.