

Advocates Meet With FCC to Urge Meaningful Changes to Rules Governing Providers of Telecom Service to Criminal Enterprises

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WASHINGTON - Today, the **National Consumer Law Center**, on behalf of its low income clients, the **Electronic Privacy Information Center, Consumer Reports, National Consumers League, Public Knowledge, UnidosUS** and **U.S. PIRG**, met with staff of the Federal Communications Commission (FCC) to insist that more effective measures be deployed to stop telephone service providers from continuing to transmit **billions of robocalls a year that perpetrate criminal frauds.**

Out of the 4 billion robocalls made every month in the US, over 42% are calls seeking to defraud Americans, according to Youmail's Robocall Index. Indeed, in the past 30 days alone, just counting the calls made by the top 1000 scam campaigns, there were over **450 million scam robocalls.** The most common of these calls include Vehicle warranty scams, health insurance scams, fake threats regarding Medicare , and intimidating calls from IRS impersonators.

According to Truecaller's survey data, **59.4 million Americans** fell victim to a phone scam in 2021, resulting in the theft of a staggering \$29.8 billion through robocalls transmitted through the U.S. telephone network. The FTC's Fraud Reports shows the median loss suffered by these victims was \$1,000.

"American telephone service providers make money on every call answered—including every one of these robocalls attempting to steal from vulnerable Americans," **said Margot Saunders, senior attorney at the National Consumer Law Center.** "There are a number of steps that the FCC must take to ensure that all providers stop transmitting these robocalls."

In their presentation to FCC staff, the groups pointed to the formation of the Robocall Mitigation Database (RMD), developed by the FCC to require service providers to authenticate caller-ID, and the Industry Traceback Group (ITG)—a consortium appointed by the FCC to traceback fraudulent telephone calls—as well-meaning efforts that fall woefully short of their objectives.

"Detecting and stopping illegal calls and texts costs the provider, especially when providers could get paid to deliver these calls to vulnerable consumers. That means these calls won't stop until it becomes much riskier to the provider to deliver them," **said Chris Frascella, law fellow at the Electronic Privacy Information Center (EPIC).** "The incentive structure must change, and the Commission must make that change."

The advocates for consumer victims of robocall scams urged the FCC to require that all providers be required to mitigate illegal calls, and to permit **only those providers who employ effective mitigation tools to get on and stay on the RMD**— providers that are not listed on the RMD are essentially barred from the U.S. telecommunications system. In addition, to enable responsible providers to avoid transmitting fraudulent robocalls, and to allow law enforcement and the victims of criminal frauds access to information about the providers of services to the criminal enterprises

making the scam robocalls, the **tracebacks conducted by the ITG should be completely public and easily accessible.**

The advocates urged that both the consequence and the cost of enabling illegal calls must be increased. As FCC Commissioner Geoffrey Starks noted, “illegal robocalls will continue so long as those initiating and facilitating them can get away with and profit from it.”

FTC data shows attempts at telephone fraud increased by 102% between 2020 and 2021, including the nearly 3 in 5 Americans who received a scam call or text related to COVID-19.

“Politely asking service providers that are facilitating criminal frauds on millions of Americans to help stop the flow of illegal calls and texts is simply not working,” **said Saunders.** “The FCC must shut the door on these illegal robocalls by publicly outing the service providers enabling the calls, booting them from the RMD, and blocking them from doing business on the U.S. telecommunications system.”

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EPIC is a public interest research center in Washington, D.C. EPIC was established in 1994 to focus public attention on emerging privacy and related human rights issues, and to protect privacy, the First Amendment, and constitutional values. EPIC routinely files amicus briefs in TCPA cases, has participated in legislative and regulatory processes concerning the TCPA, and has a particular interest in protecting consumers from robocallers.