



To: All Attorneys General

From: Attorneys General Ashley Moody and Letitia James

Re: Support for H.R. 1215, the "Fraud and Scam Reduction Act"

Dear Colleagues:

We write to ask you to join the attached letter urging support for H.R. 1215, which comprises the "Stop Senior Scams Act" and the "Seniors Fraud Prevention Act of 2021." H.R. 1215, which is sponsored by 21 senators, is bipartisan legislation that will provide innovative ways to combat the financial exploitations of senior citizens. This legislation was filed February 23, 2021, has passed the House of Representatives, and is currently before the Senate Committee on Commerce, Science and Transportation.

Senior citizens are among the most vulnerable citizens to financial exploitation. These schemes are perpetrated through the mail, by telephone scammers and robocalls, and through the internet. Retailers, financial services and wire-transfer firms are often used to complete these frauds. Billions of dollars are lost each year due to elder fraud, and that number is rising rapidly. As seniors are increasingly targeted by sophisticated fraudsters, we, as the States' chief legal officers, must meet those attacks with augmented resources, training and prevention measures.

H.R. 1215, through the Stop Senior Scams Act, establishes a Senior Scam Prevention Advisory Group accountable to the Federal Trade Commission, to be tasked to gather information on educational materials for retailers, financial services and wire-transfer companies, and to use that information to educate frontline employees in those industries to better identify and prevent elder fraud. Informational materials regarding identifying and preventing fraud would also be distributed and made publicly available to governmental agencies and private sector stakeholders.

The bill will also establish an Office for the Prevention of Fraud Targeting Seniors, within the Bureau of Consumer Protection of the Federal Trade Commission. This new office will work in cooperation with other federal agencies and State attorneys general to disseminate information on scams targeting seniors, complimenting the efforts of the Senior Scam Prevention Advisory Group by providing monitoring of emerging fraud schemes. For these reasons, and as outlined in more detail in the attached letter, we ask for your support of H.R. 1215.

If you have questions about the letter, please contact Florida General Counsel Charles Trippe at Charles.Trippe@myfloridalegal.com or (850) 245-0209 or New York Deputy Bureau Chief of the Consumer Frauds and Protection Bureau Laura Levine at laura.levine@ag.ny.gov or (646) 574-0298.

The deadline to join this letter is 5pm EST on May 18, 2021. Please send the response form to Ryan Greenstein at NAAG by email at rgreenstein@naag.org. Thank you for your consideration.

Sincerely,



Ashley Moody
Florida Attorney General



Letitia James
New York Attorney General

May XX, 2021

The Honorable Chuck Schumer
Senate Majority Leader
322 Hart Senate Office Building
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Senate Minority Leader
317 Russell Senate Office Building
United States Senate
Washington, D.C. 20510

The Honorable Maria Cantwell
Chair, Senate Committee on
Commerce, Science, & Transportation
511 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Roger Wicker
Ranking Member, Senate Committee on
Commerce, Science, & Transportation
555 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Majority Leader Schumer, Minority Leader McConnell, Chair Cantwell, and Ranking Member Wicker:

We write to ask that you join the fight to protect our seniors by supporting H.R. 1215, the Fraud and Scam Reduction Act, which comprises the “Stop Senior Scams Act” and the “Seniors Fraud Prevention Act of 2021.”

Senior citizens in our communities have worked hard to raise families, to contribute to our economy, and to establish a secure retirement. Many of them are veterans of our Armed Forces. Seniors are also an increasingly large demographic group—they will soon make up nearly twenty percent of our population.¹ While seniors are a vital part of the fabric of our Country, they are also among the most vulnerable to financial exploitation.

The FBI reports nearly \$3 billion in losses annually as a result of elder fraud and scams.² The Department of Justice estimates that elder abuse, which includes financial fraud, scams and exploitation, affects “at least 10% of older Americans every year.”³ According to a 2019 report from the Consumer Financial Protection Bureau, between 2013 to 2017, suspicious activity reports of elder financial exploitation *quadrupled*.⁴ This report also estimated the average loss as a result of elder fraud exploitation to be \$34,400, and in a significant minority of cases the loss to the victim

¹ <https://www.businessinsider.com/aging-population-healthcare>.

² <https://www.fbi.gov/scams-and-safety/common-scams-and-crimes/elder-fraud>.

³ <https://www.justice.gov/elderjustice>.

⁴ https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/cfpb_suspicious-activity-reports-elder-financial-exploitation_report.pdf, p. 3.

was over \$100,000.⁵ Furthermore, “[i]n more than half of the [elder financial exploitation suspicious activity reports] analyzed, the targeted person used a money transfer.”⁶ These statistics demonstrate the need for vigilance by industry and government, and a comprehensive approach to preventing fraudsters from victimizing vulnerable elders.

The Stop Senior Scams Act in H.R. 1215 will establish a Senior Scams Prevention Advisory Group accountable to the Federal Trade Commission, which will be tasked to “collect information on the existence, use and success of educational materials and programs for retailers, financial services and wire-transfer companies which . . . may be used as a guide to educate employees on how to identify and prevent scams that affect seniors . . .”

These measures will educate those employees of industry stakeholders who are in the best position to recognize the warning signs of elder fraud, and to help elderly victims before it is too late. Unlike existing programs that provide information to seniors, the Stop Senior Scams Act would provide information to stakeholders in relevant industries, enlisting the help of their employees to combat this plague.

H.R. 1215 also includes the “Seniors Fraud Prevention Act of 2021,” which establishes an Office for the Prevention of Fraud Targeting Seniors, within the Bureau of Consumer Protection of the Federal Trade Commission. This office will complement the efforts of the Senior Scams Prevention Advisory Group by monitoring emerging fraud schemes that target seniors through the mail, television, internet, telemarketing and robocalls; disseminating information on common fraud schemes; and sharing information on how to report such activity to the national hotline and the Commission’s Consumer Sentinel Network, where the data will be available to State attorneys general. The Federal Trade Commission will also work with the Attorney General to log and track complaints from victims, to then relay that information to the appropriate law enforcement agencies.

As the chief legal officers of our States, we are committed to protecting our seniors from financial exploitation. H.R. 1215 provides much needed education and training for the employees most likely to be able to detect and report elder fraud and scams. The bill also provides a mechanism for vigorous monitoring of elder fraud, provides information on such schemes to the public, and coordinates reporting with

⁵ *Id.* p. 4.

⁶ *Id.* p. 21.

law enforcement authorities. For these reasons, we strongly urge the Senate to take action and pass H.R. 1215.

Sincerely,

Handwritten signature of Ashley Moody in black ink.

Ashley Moody
Florida Attorney General

Handwritten signature of Letitia James in blue ink.

Letitia James
New York Attorney General

RESPONSE FORM FOR COMMENT LETTER TO THE U.S. SENATE SUPPORTING THE FRAUD AND SCAM REDUCTION ACT (H.R. 1215)

DEADLINE FOR RESPONSE: 5:00pm EST on Tuesday, May 18th

PLEASE RETURN FORM TO:
Ryan Greenstein
National Association of Attorneys General
rgreenstein@naag.org

YES, I authorize NAAG to affix my signature to the letter to The U.S. Senate supporting the Fraud And Scam Reduction Act (H.R. 1215)

NO, I do not authorize NAAG to affix my signature to the letter.

PLEASE PRINT OR TYPE LEGIBLY

_____ (name)

Attorney General of _____ (state name)

Contact Name:

Email:

If you have any questions about the letter, please do not hesitate to contact Florida General Counsel Charles Trippe at Charles.Trippe@myfloridalegal.com or (850) 245-0209 or New York Deputy Bureau Chief of the Consumer Frauds and Protection Bureau Laura Levine at laura.levine@ag.ny.gov or (646) 574-0298.

If you have any questions about your state's response, please contact Ryan Greenstein at 202-326-6262 or rgreenstein@naag.org.