

# **The CEASE Robocalls Act**

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*Summary*

Last year the FTC received 4.8 million consumer complaints about robocalls, and with the frequency of robocalls only increasing that number is sure to rise. Scammers show blatant disregard for the National Do Not Call Registry and use scare tactics to con their victims in to sending them money, often posing as the IRS, the FBI or a utility company and demanding immediate payment to avoid legal action. This practice is not just annoying and illegal but also has massive financial ramifications, and the frequency of calls is on the rise with an estimated 4 billion robocalls placed nationwide in July of this year alone.

Currently the FTC lacks authority over phone companies that could help ensure that the consumer protection agency uses its expertise and enforcement strength to push the phone service providers to address this issue. **The Creating Enforcement Authority to Stop Enablers (CEASE) Robocalls Act** would lift the common carrier exemption in the FTC Act so that the FTC can act against these smaller Voice over Internet Protocol (VoIP) services that are a huge player and heavily involved in illegal robocalls.

The handful of small VoIP services that are enabling these calls openly advertise short-duration calls, which is code for robocalls. They even offer to blend robocall traffic in with normal calls to avoid detection. These calls often target seniors or folks with little ability to pay and take hard earned money from those who need it most.

Calls are also evolving in complexity, using the tactic of local spoofing, using a phone number with the same area code and similar numbers to the recipient are on the rise, tricking people to picking up the phone thinking it's a family member or loved one.

The CEASE Robocalls Act, HR 6943, would lift the common carrier exemption from the FTC giving them the tools they need to combat these malicious calls. This is something the FTC has been asking Congress to grant them for years and would allow them to build on the work they are currently doing to root out bad actors. In 2017, the FTC estimated that fraudulent robocalls cost American consumers \$7.5 billion dollars. Over the last year the FTC has brought 135 enforcement actions seeking civil penalties resulting in more than \$121 million in relief for defrauded consumers and while it is good they are returning some money to consumers, that number is nowhere near the \$7.5 billion consumers lose annually.