

HB 1278 Voice Over Internet Protocol - Robocalls - Customer Information
House Economic Matters
March 11th, 2020
SUPPORT

Good Afternoon Chairman Davis and Members of the House Economic Matters Committee. I am Tammy Bresnahan, Director of Advocacy for AARP MD. As you may know, AARP Maryland is one of the largest membership-based organizations in the Free State, encompassing almost 900,000 members. I am here today representing AARP MD and its members in support of **HB 1278 Voice Over Internet Protocol - Robocalls - Customer Information**.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

HB 1278 would require VoIP service providers to collect information on persons using their platforms to make robocalls. HB 1278 serves to protect consumers from the endless robocalls we receive on a daily basis.

We all receive automated telephone messages, on both our home telephones and cellphones. There were 48 billion robocalls in the United States in 2018 alone. Many of the calls serve legitimate purposes and are helpful: You might get a call warning you that severe weather is on the way, or that school will be closing early. Or, there's that automated call you get when your airline flight has been rescheduled. At AARP, we take advantage of automated call technology to reach our members with educational programming. But robocall technology has also made it easier and cheaper for con artists to reach millions with their fraud schemes. These calls are most definitely illegal. The Federal Trade Commission says telephone scams cost us hundreds of millions of dollars last year.

Since 2016, the volume of calls has increased from just over 29 billion to nearly 48 billion robocalls in 2018. Some of these calls are annoying and disruptive, but more problematic is that 1 out of 10 (11%) of adults AARP recently surveyed have fallen prey to a telephone scam. According to the Federal Trade Commission (FTC), phone scams cost U.S. consumers \$429 million last year.

What did the AARP survey find?

- Half of the people we surveyed said they receive seven or more robocalls per week. A majority said they suspect that most of the calls they get are scams.

- Nearly all U.S. adults use Caller ID to decide whether to answer a call – even though 75% of them know that the information on the Caller ID display may be fabricated.
- And finally our survey found that people are more likely to answer a call if it is coming from their own area code or telephone exchange, or an area code where a friend or family member lives.

How can we recognize a scammer?

- Many of the schemes are known as “imposter scams.” The telephone message will say it is coming from the IRS or the Social Security Administration, and that there is some problem with your tax return or your Social Security number
- Or, it can say that you’ve won some sweepstakes or lottery.
- Pressure tactics are common, and you have to remember that official government agencies and legitimate companies just do not engage in these tactics.
- If a telephone message tells you that you must make an immediate payment to avoid arrest or to qualify for your lottery winnings, it is most likely a scam.
- Interestingly, our survey found that scams that use threats are more effective with victims than those that promise rewards. It seems that the scammers have discovered that “fear sells.”

AARP believes that HB1278 would reduce robocalls by requiring Maryland based telecom companies to institute a ‘know your customer’ requirement, which will reduce the number of anonymous, unscrupulous calls flooding our networks and phones. For these reasons we ask the committee for a favorable report on HB 1278. For questions or comments please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.