

U.S. SENATOR BOB CASEY



CHAIRMAN Special Committee on Aging

Chairman Bob Casey's Opening Statement ***"Fighting Fraud: How Scammers are Stealing from Older Adults."***

Good morning, everybody. The Senate Special Committee on Aging will come to order. Welcome to the Aging Committee's hearing entitled, *Fighting Fraud: How Scammers are Stealing from Older Adults*.

Every year, this Committee conducts a review of the scams that target older adults, culminating in this annual hearing and the release of the Committee's Fraud Book. Here is this year's edition of that book: *Fighting Fraud: Scams to Watch Out For* and I am grateful to work with ranking Member Braun and the Committee. The Fraud Book is a great resource for older adults looking to prevent fraud, featuring tips that will help them identify a scam and resources for those older adults who have been scammed.

Today's hearing will not only discuss fraud prevention and the tips highlighted in the Fraud Book, but also how the federal government and law enforcement agencies respond to reports of fraud. The scams that are perpetrated against older adults today seem similar to scams that have been around for a number of years. We have all heard of these, unfortunately and so many families have been the victims of them. Grandparent scams, where a scammer pretends to be grandchild calling in-need of financial help, investment scams, government-imposter scams, lottery scams, tech support scams are just a few of the scams highlighted in our Fraud Book.

However, over the past few years, scammers have gotten increasingly sophisticated in how they contact and prey on their targets. With the advent of Artificial Intelligence, we all know as AI, scammers can now make their messages, both online and over the phone, more convincing. Email or computer pop-up scams used to be more easily identifiable, but now are much harder to detect.

In some cases, scammers go as far as cloning the voice and we have testimony in this committee to that effect. Cloning the voice of a loved one to convince the target of their veracity. It has become nearly impossible to tell whether the person on the other end of the line is legitimate or a scammer. That may explain why recent FBI data shows that fraud losses among older adults have gone up in recent years—reaching \$3.4 billion in 2023.

Leaders in scam prevention and education, like AARP, are racing to keep up with these trends and continue to educate older adults. Meanwhile, law enforcement is facing an uphill

battle when it comes to responding to reports, investigating, and identifying the perpetrators and so many other challenges. I am thankful that we have Scott Pirrello here today, who can share more about the work he is doing to fight fraud as Deputy District Attorney in San Diego.

But we have got a lot more to do. We need to continue to educate older adults about the scams they may be targeted with, and we need to work together across all levels of government to identify and root out these bad actors. I would change that and say criminals because that's what they are. Furthermore, we need to help those who have been victimized by scammers.

Earlier this year, I released a report called, *Scammed Then Taxed*, detailing how 2017 tax bill repealed a long-standing tax tool that helped scam victims avoid more losses. Older adults disproportionately used what was known as the casualty and theft loss deduction, and my report highlighted the crushing financial blow that this law dealt to scam victims—leaving them paying heavy taxes on stolen retirement savings.

On top of financial losses, this experience can be emotionally devastating and isolating. I am grateful to have Susan Whittaker, from Lehigh County in Pennsylvania, here with us today. Susan will be sharing her and her husband's experience with tech support scams. Susan's testimony is critical for us to hear today—it is important for older adults across the Nation to know that they are not alone if they lost money to a scammer.

So, I am pleased that the Aging Committee can shed light on these stories and now, I will turn to Ranking Member Braun for his opening remarks.