

Scam Robocalls: Telecom Providers Profit



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Overview

Every month, more than one billion scam robocalls designed to steal money from unsuspecting telephone subscribers are made possible because providers—typically small, pop-up VoIP telephone providers—transmit these calls through to our telephones. Every answered scam robocall pays money to those providers, as well as to every telephone service provider in the call path.

Even when these providers are told—sometimes repeatedly—that they are transmitting fraudulent calls, they keep doing it, because they are making money from these calls. And even when they are caught and told to stop, they are not criminally prosecuted, and the fines that are levied are rarely collected. FCC Commissioner Geoffrey Starks has noted this counterproductive dynamic regarding robocalls: “[I]llegal robocalls will continue so long as those initiating and facilitating them can get away with and profit from it.”

This report explains the depth of the problem, the reasons for the problem, and how the Federal Communications Commission has responded. We recommend several simple strategies that would

stop most, if not all, of these fraudulent robocalls.

Key Recommendations

The authors propose three principles to stop the criminal robocalls:

- All providers in the call path should have an affirmative obligation to engage in effective mitigation against illegal robocalls.
- Providers who knew or should have known that they were transmitting illegal robocalls should face clear financial consequences.
- Law enforcement, telephone service providers, victims of scam calls, legal robocallers, and the general public should have access to all available information about the sources of the illegal robocalls and their complicit providers.

Five specific proposals to accomplish these principles are included on page 26 of the report.

Related Resources

- Press release: NCLC, EPIC Urge FCC to Hold Voice Service Providers Accountable for Transmitting Illegal Robocalls, Jan. 11, 2022
- NCLC Digital Library: Getting Money Back For Scammed Consumers, Dec. 15, 2020
- Issue Brief: How Congress and the FCC Can Protect Americans from Invasive and Dangerous Robocalls and Robotexts, November 2020