

NCLC testifies at Senate hearing on TCPA and robocalls

FOR IMMEDIATE RELEASE: MAY 18, 2016 || NCLC's contacts: Jan Kruse (jkruse@nclc.org) or 617.542.8010; Margot Saunders (msaunders@nclc.org)

Surge in Invasive Robocalls Prompts Need for More Consumer Protections

(WASHINGTON) Today at 10 am EDT, the U.S. Senate Commerce committee will convene a hearing on "The Telephone Consumer Protection Act at 25: Effects on Consumers and Business." National Consumer Law Center attorney Margot Saunders will testify on the need to strengthen the Telephone Consumer Protection Act (TCPA) to better safeguard consumers from invasive robocalls and texts to consumer landlines and cell phones.

Saunders will give testimony on behalf of the National Consumers Law Center's low-income clients, Americans for Financial Reform, Center for Responsible Lending, Consumer Action, Consumer Federation of American, Consumers Union, National Association of Consumer Advocates, National Center for Law and Economic Justice, Public Citizen, and MFY Legal Services, collectively representing millions of consumers in the United States.

In her testimony, Saunders will note that in the first four months of 2016, consumer complaints to the FTC regarding unwanted robocalls spiked to an average 279,000 per month, which will produce more than 3.3 million complaints in 2016. And the 2.2 million complaints about unwanted calls last year was more than double the number of complaints in 2010. Consumers routinely complain about wrong number calls, continuing to receive calls after requesting that the company stop calling (nearly half of all calls in 2015), and abusive debt collection and telemarketing calls that consume time and cell phone minutes, pointing for the need to increase the protections in the TCPA.

The number of illegal calls is exponentially higher as only a small percentage of people will take the time to complain to the FTC and only one-tenth of one percent of those who complain actually file a lawsuit. The structure of the TCPA restricts lawsuits to those with a high volume of illegal calls because it does not provide for an attorney fee award even when the consumer prevails.

The TCPA is an essential privacy protection law: Congress passed the TCPA in 1991 to respond to the "voluminous consumer complaint abuses of telephone technology—for example, computerized calls dispatched to private homes." 25 years later, cell phones are ubiquitous and robocalls not only invade people's privacy but also raise important public safety concerns, including answering phones or checking text messages while driving. New technologies such as caller ID spoofing can lead to telemarketing scams, putting vulnerable populations, such as older consumers, at increased risk of financial abuse. Additionally, the increase in unwanted calls takes a disproportionate toll on low-income consumers, many of whom use pay-as-you go cell phone plans, and eats up limited minutes and stretched budgets.

"It is estimated that 35 percent of all calls placed in the U.S. are robocalls," said Saunders. "Although the TCPA offers some protections, the evidence shows that stronger enforcement of this federal law is essential to protect consumer privacy and public safety, and to prevent financial fraud and other abuses," said Saunders.

The National Consumer Law Center is a recognized expert on the TCPA. For more information, please visit: <https://www.nclc.org/issues/robocalls-and-telemarketing.html>.

Resources for the Press:

- Margot Saunders is available to speak with the press. To arrange an interview, please contact Jan Kruse at jkruse@nclc.org or 617.542.8010
- Consumers Union can connect reporters with consumers frustrated with being harassed by robocalls. Please contact Michael McCauley at mmccauley@consumer.org or 415.902.9537 (cell).
- Saunders testimony is available at: <http://bit.ly/27vWXIV>
- The U.S. Senate Commerce committee hearing will be held beginning at 10am EDT on May 18 in the Senate Russell Building 253. Witness testimony, opening statements, and a livestream will be available at:
<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=7FDEF85E-BF1F-475C-BE3F-1E011EA5A909>.

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