

Robocall Problem Even Worse than FTC Data Shows

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Lawsuits to Hold Bad Actors Accountable for Breaking Key Consumer Protection Laws Are Down and Requests for Exemptions Are Routine—Making the Robocall Problem Even Worse Than It Looks

Washington, D.C. - The Federal Trade Commission's (FTC) "Biennial Report to Congress" reveals a sizeable uptick in consumer complaints about robocalls in 2017, with 4.5 million complaints filed in 2017 compared to 3.4 million in 2016. While the rise in complaints is consistent with an increased use of intrusive and disruptive robocall technology, the problem is far worse even than the FTC's numbers, according to advocates at the National Consumer Law Center.

Industry data shows that over two billion robocalls are made every month, many of which are unwanted and illegal. Any robocall to a cell phone violates the federal Telephone Consumer Protection Act (TCPA) unless the recipient has consented to the call.

"The FTC's complaint data illustrates a rapid expansion of the use of robocall technology and the toll these abusive calls take on consumers," said **Margot Saunders, senior counsel at the National Consumer Law Center**. "However, the complaint database understates the full extent of the problem of abusive robocalls."

Interestingly, although unwanted robocalls increased significantly in 2017, data for the first 10 months of the year showed that the number of lawsuits brought against companies for violating the TCPA was down from the previous year. In 2016, an average of 405 TCPA lawsuits were filed each month, compared to just 376 per month through the first 10 months of 2017.

"Critics seeking to gut the TCPA's protections against robocalls claim the law leads to frivolous lawsuits," **said Saunders**. "On the contrary, the overwhelming number of robocall violations go unchecked, with even the most conservative estimates showing a 1000-to-1 ratio of complaints to government agencies as compared to lawsuits filed. And that does not even account for the tens of millions of illegal robocalls to consumers who do not file complaints or lawsuits."

Even as robocall complaints increase and TCPA lawsuits decline, companies, backed by industry lobbyists, are increasingly petitioning the Federal Communications Commission (FCC), which coordinated with the FTC to establish the Do-Not-Call registry, for exemptions to this key consumer privacy law. Recently, Outcome Health, with the support of top bank lobbyists, requested an exemption from the rule barring the use of automated text messages in cases where the company claims the texts were sent in error. Similarly, the Credit Union National Association asked for an exemption in order to be able to robocall and auto-text credit union members without their consent, mostly for debt collection purposes.

"Rather than petition the FCC for exemptions that weaken robocall protections, companies should focus on following the rules," **said Saunders**. "We are hopeful that this FCC will protect consumers against these illegal calls and not seriously consider these baseless requests for exemptions from the TCPA. Maintaining a strong TCPA will benefit consumers and level the playing field for law-abiding

businesses.”

Related Links

Press release and comments of NCLC and other consumer groups to the FCC opposing a request for an exemption from liability by automated texter Outcome Health, Nov. 27, 2017

Press release and comments of NCLC and other groups to the FCC opposing the Credit Union National Association petition for exemptions to the TCPA to make robocalls and text messages, Nov. 6, 2017