To Stop Scams at the Source, U.S. Policymakers Are Rightly Looking Upstream

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Fraud and scams are a national emergency, sapping billions of dollars from Americans annually. The FTC estimates that the cost of fraud to consumers in 2025 may have been as high as $261.5 billion.[1] And bank impersonation scams are particularly pernicious because they exploit consumers' trust in their financial institution.[2]

This year, Congress and federal regulators have increasingly targeted this problem at its source, seeking to hold telecom and social media companies accountable for the scams that spread on their networks. Here's an overview of key recent government actions.

- **FTC Takes Aim at Platforms' Role in Impersonation Scams.** In September, the Federal Trade Commission announced it would consider updating its government and business impersonation rule to hold social media and other tech platforms accountable for their role in impersonation scams. These scams resulted in $3.5 billion in consumer losses last year, as the FTC reported. BPI has urged the FTC and other regulators to hold platforms accountable for these scams, which often reach consumers through social media or digital advertising platforms. The FTC has also launched a consumer education campaign focused on impersonation scams.

- **FCC Cracks Down on Illegal Robocalls.** The Federal Communications Commission has made combating illegal robocalls its most important consumer protection issue, and Chairman Carr has sought to prevent these illegal calls at every point in the call path. Among other things, the FCC has issued a new advisory warning consumers specifically about bank impersonation scams, brought an enforcement action against a call provider allegedly facilitating bank impersonation scams, and issued various proposals throughout 2026 to prevent illegal calls and texts, including:
    - **Proposal Would Enhance 'Know Your Customer' Safeguards on Telecom Providers.** The FCC proposed requirements to fortify "Know Your Customer" requirements on voice service providers originating calls. BPI and a group of associations urged the regulator to further bolster protections by allocating more resources for enforcing the requirements, requiring originating providers to collect specific data from business callers and banning SIM boxes.
    - **FCC Proposes Strengthening 'Know Your Upstream Provider' Requirements and Caller ID Authentication.** The FCC this year proposed enhancements to its "Know Your Upstream Provider" requirements for verifying calls and its "STIR/SHAKEN" caller ID authentication framework. BPI expressed support for these measures to prevent spoofed calls.
    - **FCC Targets Spoofing with Robocall Mitigation Scorecard.** The FCC this year proposed a Robocall Mitigation Scorecard to evaluate telecom providers' effectiveness in preventing illegal spoofing of calls and texts. Criminals use spoofing to falsify the location or origin of a call – for example, by faking a caller ID familiar to the customer, or to make an overseas call appear to be coming from within the U.S. BPI and other associations urged the FCC to base the scorecard on measurable results rather than rating providers solely on their compliance with existing laws.

[1] *See* Report of the FTC, Protecting Older Consumers 2025-2026, 31 (Oct. 19, 2026), https://www.ftc.gov/system/files/ftc_gov/pdf/2026-older-adults-report-10192026.pdf.
[2] Hijacking Trust: How Scammers Exploit the Banking System's Most Valuable Asset - Bank Policy Institute.

- **U.S. Government Launches Scam Center Strike Force.** The U.S Attorney's Office for the District of Columbia launched the Scam Center Strike Force in 2025, collaborating with the Justice, Treasury, State and Commerce Departments to combat Southeast Asian scam compounds and crypto fraud.

- **Congress Examines American Fraud Epidemic.** Various committees in Congress have explored the pervasive nature of fraud and scams at hearings this year, including the House Financial Services Committee, House Committee on Homeland Security and Senate Committee on Homeland Security and Governmental Affairs, Senate Commerce Committee and Joint Economic Committee. Lawmakers invited testimony from researchers, industry leaders, consumer advocates and policy experts on how fraud and scams are harming consumers. In addition, the Republican House Financial Services Committee staff released a comprehensive report on combating financial fraud and scams.
    - **SCAM Act Aims to Combat Malvertising and Bank Impersonation Scams.** Bipartisan legislation in the House and Senate, known as the Safeguarding Consumers from Advertising Misconduct (SCAM) Act and introduced earlier this year, would crack down on malicious advertising and bank impersonation scams. BPI expressed support for the legislation in a statement in February.

    - **House Bill Takes Action to Stop SIM Box Scams.** A bill introduced by Rep. Jefferson Shreve (R-IN), the Stop SIM Box Scams Act, would take aim at a key conduit for illegal calls by banning SIM boxes. BPI expressed support for the bill in an October statement.

- **What's Expected Looking Ahead to 2027.** These efforts in 2026 show that policymakers increasingly recognize that scam prevention must involve upstream accountability. In 2027, we anticipate that many of these proposals will become law – thereby closing off channels for scammers to reach American consumers through illegal calls and texts, scam ads and fake websites.