



UNITED STATES SENATOR SUSAN M. COLLINS

PRESS RELEASE



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Opening Statement Senator Susan M. Collins Special Committee on Aging

“876-SCAM: Jamaican Phone Fraud Targeting Seniors”

Mr. Chairman, let me begin my remarks by thanking our witnesses, not only for appearing before us today, but also for the assistance they have provided to the committee in understanding the scope of the Jamaican Phone Scam, and what can be done to combat it.

Two of the witnesses have made the journey from Maine to tell us their stories: Kim Nichols, who knows the heartbreak of this sophisticated scam from personal experience as her own father fell victim to it, and Chief Deputy Sheriff Bill King from York County, Maine, a leading expert in the law enforcement community who has worked tirelessly to shut the scam down.

I also see in the audience representatives of FairPoint Communications, including Mike Reed, its Maine state president. FairPoint deserves much credit for bringing the Jamaican Phone Scam to my attention and for its efforts to alert the public.

I also want to thank you, Mr. Chairman, for agreeing to hold this important hearing. This committee has a great history of working together in a bipartisan fashion to bring to light the scams and swindles targeting our nation’s elderly citizens. I suspect the Jamaican Phone Scam is one of the worst.

Mr. Chairman, to most Americans, Jamaica is a tropical paradise: an island of lush green jungles and white sand beaches, set in the clear, blue waters of the Caribbean Sea. We’ve all seen the ads: full of gorgeous scenery, and upbeat music calling Americans to “come and feel the spirit of Jamaica.” Millions of Americans have accepted that call, including 1.2 million last year alone. These tourists spend billions of dollars annually – money that is critical to the Jamaican economy – in pursuit of their dream vacation.

But beneath the Jamaica of the enticing ads and the tourists’ dreams lurks another Jamaica, one that brings nightmares to elderly Americans targeted by Jamaican criminals intent on swindling them out of their life savings. Every day, sophisticated Jamaican con artists place an estimated 30 thousand phone calls to the United States in pursuit of their elderly victims.

The swindle starts with a simple phone call, where the scammer often tells the victim they’ve just won millions in a lottery or a sweepstakes and a brand new car, and all they have to do is to wire a few hundred dollars in upfront processing fees or “taxes,” and their winnings will be delivered. Often, the criminals will tell

their elderly victims not to share the good news with anyone, so that it will come as a “surprise” when their family finds out.

Of course, no such “winnings” are ever delivered, because no such “winnings” exist. The elderly “winners” get nothing but more phone calls – sometimes 50 or 100 calls per day – from scammers demanding more and more money. Behind these calls is an organized and sophisticated criminal enterprise, overseeing boiler room operations in Jamaica. Indeed, money scammed from victims helps fund organized crime in that island nation. Criminals once involved in narco-trafficking have found these scams to be more lucrative and safer.

Expensive “lead lists” identify potential victims. Satellite maps are used to locate and describe victims’ homes to make it appear that the caller is familiar with the community. Elaborate networks for the transfer of funds are established to evade the anti-fraud systems of financial institutions. Should victims move or change their phone numbers, the con artists use all the technology at their disposal to find them and re-establish contact.

To keep the money coming in ever-increasing amounts, the imposters adopt a variety of identities. Some spend hours on the phone convincing the seniors that they care deeply for them. Victims who resist their entreaties begin receiving calls from Jamaicans posing as American government officials, including local law enforcement, the FBI, the Social Security Administration, and the Department of Homeland Security, asking for personal data and bank account numbers so that they can “solve” the crime. These Jamaican scammers are masters of manipulation, playing to their victims’ fears and emotions until they have drained them of every dime.

Some of my constituents have lost more than a hundred-thousand dollars to this scam. Others have lost their homes, their cars, and their financial independence, not to mention their security and dignity. Even then, the scammers continue to pursue their prey with a heartlessness that is hard to comprehend. Listen to this actual recording of a Jamaican phone scammer and an elderly Maine victim, available to us courtesy of FairPoint Communications:

[Recording of the FairPoint PSA]

This is just one phone call to one victim. But it is just the tiniest tip of a giant iceberg that ought to scandalize the people of Jamaica. Incredibly, though, some in Jamaica embrace the scamming culture, and even celebrate it. Last year, two of Jamaica’s leading Rap artists released a song with lyrics saying that scammers are “stars” and the money they steal is “reparations.” I will note that the Jamaican government has banned the song, and one of the singers is behind bars awaiting trial on murder charges.

The new government in Jamaica has finally passed new laws targeting the scammers. But I am deeply troubled that it has taken Jamaica so long – years – before getting serious about this problem. For far too long, Jamaican authorities turned a blind eye to this fraud, which was illegally bringing an estimated \$300 million annually to their country. I am also troubled by the lack of an aggressive and coordinated effort on the part of U.S. federal law enforcement officials to protect our nation’s most vulnerable senior citizens.

Our parents and grandparents worked hard their entire lives and saved for retirement. They should not be targeted by criminals who want to rob them of their hard-earned savings. While I believe that our Senate hearings will increase public awareness of these schemes, it is also critical that governments at all levels and across international boundaries work together to shut down these con artists before their sophisticated scams exploit yet another trusting senior citizen.

Again, Mr. Chairman, thank you for calling this important hearing.