

Thank you, Senator Donnelly, for convening such an important hearing on such an important topic that affects so many Hoosier seniors with whom I work day in and day out. Thank you, also, to Chairman Nelson and Ranking Member Collins for their leadership on working to protect seniors from fraud and scams.

My name is Mandla Moyo and I work for AARP Indiana. AARP is a non-profit, nonpartisan organization with a membership of more than 37 million that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for issues that matter most to families such as healthcare, employment security and retirement planning. AARP has staffed offices in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Our Indiana office is located in downtown Indianapolis, and we currently have more than 840,000 members statewide.

For more than 50 years, AARP has been providing Americans with resources and tools to help them protect their financial security. And that is why we recently launched the Fraud Watch Network - because too many hard-working Americans are being scammed out of the money they've earned. Research shows that more than \$20 billion was stolen from about 13 million victims in 2012, according to the latest Javelin Strategy and Research reports on identity fraud. It is estimated that older adults are bilked out of about \$3 billion every year. A poignant quote from a recent AARP report summarizes the devastation of these criminal activities, "After a lifetime of doing all the right things to prepare for a comfortable and dignified retirement, too many older Americans are having their retirement security threatened by financial predators."

The AARP Fraud Watch Network connects people to experts, law enforcement and fellow Hoosiers who are spotting fraud and sharing their experiences so others know what to watch out for. Available free of charge to AARP members and non-members alike, and people of any age, the Fraud Watch Network provides:

- Watchdog Alert emails that deliver breaking scam information,
- Prevention tips based on the latest information from experts,
- An interactive map with the latest law enforcement warnings from each state,
- A phone number people can call to talk to volunteers trained to help fraud victims, and
- Access to a network of people who are sharing their experiences with scams so they can help others protect themselves.

Folks can sign up either online by going to fraudwatchnetwork.com, or by calling 877-908-3360 to get resources by mail.

Locally, we currently have 27 AARP Indiana volunteers working specifically on getting the word out about the Fraud Watch Network. So far this year they have already given 14 in-person presentations.

For one of our most active Fraud Watch Network volunteers – Melvin from Carmel – this issue hits very close to home. Although tech-savvy, Melvin was a victim of ID theft after making a purchase online. If it can happen to him, it can happen to anyone.

For example, The GFK Group conducted an Internet-based survey for AARP last November and December in 2013, which showed that while the vast majority of Indiana online users -76% - say they are concerned about being scammed over the internet, they were only able to correctly answer an average 5.16 out of 10 questions in a simple online literacy test designed to test their knowledge about how to be safe online. For instance, 56% of Hoosier respondents are unaware that a privacy policy does not always mean the website will not share information with other companies. Thirty-eight percent are unaware that banks do not send email to their customers asking them to click on links to verify personal information. And, 72% of Indiana adults that access the Internet – or as many as 2.7 million people – received at least one online fraud offer in 2013.

The most common scams that target older Americans involve buying and selling gold, the emotional grandparent scheme where the caller poses as a distressed grandchild needing money and bogus sweepstakes offers with the irresistible pitch: You've won! Just pay the small processing fee!

According to the Federal Trade Commission, reports of consumer fraud have increased by over 60 percent since 2008 and online scams doubled from just over 20 percent of all fraud in 2007 to nearly 40 percent of all fraud in 2011. As such, AARP will continue spreading the word about the Fraud Watch Network and helping safeguard the retirement security of older Americans.

Thank you, again, for inviting me to testify today. I look forward to taking your questions.