

VETERAN SCAMS: PROTECTING THOSE WHO PROTECTED US

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C O N T E N T S

	Page
Opening Statement of Senator Susan M. Collins, Chairman	1
Opening Statement of Senator Robert P. Casey, Jr., Ranking Member	3

PANEL OF WITNESSES

Benjamin Wells, Volunteer, Vet2Vet-Maine, Portland, Maine	5
Laverne Foreman, Army and Air Force Veteran who was Scammed by a Fake Veteran's Charity, Herndon, Pennsylvania	7
W. Dewayne Richardson, DSW, District Attorney, Fourth Circuit Court, Dis- trict of Mississippi, Indianola, Mississippi	9
Carroll Harris, Acting Inspector in Charge, Communications, Governance and Strategy Group, United States Postal Inspection Service, Washington, D.C.	11

APPENDIX

PREPARED WITNESS STATEMENTS

Benjamin Wells, Volunteer, Vet2Vet-Maine, Portland, Maine	37
Laverne Foreman, Army and Air Force Veteran who was Scammed by a Fake Veteran's Charity, Herndon, Pennsylvania	43
W. Dewayne Richardson, DSW, District Attorney, Fourth Circuit Court, Dis- trict of Mississippi, Indianola, Mississippi	47
Carroll Harris, Acting Inspector in Charge, Communications, Governance and Strategy Group, United States Postal Inspection Service, Washington, D.C.	50

VETERAN SCAMS: PROTECTING THOSE WHO PROTECTED US

WEDNESDAY, NOVEMBER 6, 2019

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC.

The Committee met, pursuant to notice, at 9:30 a.m., in Room 562, Dirksen Senate Office Building, Hon. Susan M. Collins, Chairman of the Committee, presiding.

Present: Senators Collins, McSally, Rubio, Hawley, Braun, Rick Scott, Casey, Gillibrand, Blumenthal, Jones, Sinema, and Rosen.

OPENING STATEMENT OF SENATOR SUSAN M. COLLINS, CHAIRMAN

The CHAIRMAN. This hearing will come to order.

Good morning. Next week, Americans will honor our Nation's veterans who have paid the price for our freedom in times of conflict and served as our shield in times of peace. Today nearly 20 million Americans have earned the title of "veteran."

I am proud to say that Maine is home to more than 114,000 veterans, the second highest percentage in our entire Country. We owe them such a great debt. The gratitude we express in words on Veterans Day can repay this debt only in small measure. A truly grateful Nation must match its words with the actions.

As we will learn today, one issue that calls for our immediate action is to fight a newer enemy facing our veterans, and that is those relentless con artists who seek to rob them of their life savings and defraud them of the benefits they have earned in service to our Country.

Often, veterans fall victim to the same scams that this Committee has highlighted in recent years, such as the IRS imposter scam, the grandparent scam, the romance scam, the Jamaican lottery scheme, and identity theft. Veterans are disproportionately affected by these schemes, but there is also troubling evidence that some fraudsters are deliberately targeting veterans, and they are structuring their scams in order to reach our veterans.

For example, in a case that we will hear more about today, fraudster Tammi Palasini set up an entity called the Veterans Pension Planners of America. Sounds legitimate, does it not? It was not. She used it to operate what is often referred to as an "aid and attendance scam." Her pitch was that she could help veterans diversify their assets to get beneath the threshold to qualify for VA benefits if they released their assets to her so that she could invest them on their behalf. Instead, she stole their assets and spent their

money. All told, Ms. Palasini defrauded 78 victims out of \$2 million dollars before she was arrested and convicted on multiple State and Federal charges.

Scammers also exploit public support for those who have served our country by creating fake charities that supposedly raise money for needy veterans but instead funnel funds from generous contributors to greedy fraudsters.

In one recent case, a con artist operating out of Michigan was convicted of stealing nearly \$200,000 from 36 victims who thought they were donating to charities benefiting veterans. Not only did the veterans never see a dime of this money, the fraudster added insult to injury by stealing the victims' personally identifiable information to commit identity theft. Fortunately, through the very good work of the U.S. Postal Inspection Service, this criminal is now behind bars.

Other criminals promise to help veterans claim benefits from nonexistent Government programs, or they charge inappropriate fees for helping veterans apply for the benefits they have earned, or they exploit the sense of comradeship that veterans feel for one another to gain their victim's trust and then swindle them out of their savings.

These regrettably are not isolated examples. Surveys show that more than three-quarters of our veterans have been contacted by con artists. Given these facts, what action should we take to protect our veterans?

Certainly, the cases we will highlight in this hearing show the value of aggressive prosecution. That sends a real message to other criminals out there that they will be pursued, they will be caught, and they will be brought to justice.

As this Committee has often noted, many con artists operate offshore, beyond the reach of our State and local law enforcement, and some veterans are simply too embarrassed to report that they have been scammed, although they should not be because it can happen to anyone.

Instead, we must find ways to protect our veterans from scams before they become victims. Education is one way. That is one of the reasons we are holding this hearing today. Another is to build on the comradeship veterans have for one another by bringing them together to provide another set of eyes.

The non-profit Vet2Vet Maine program shows how the trusted judgment of a fellow veteran can stop a scam before it starts.

Before closing, I want to note the recent GAO study that identified actions that the Veterans Administration can take to better protect veterans from aid and attendance scams. According to GAO, the VA receives reports of potential fraud or exploitation, but it does not analyze this information to assess the prevalence of scams, inform its outreach efforts, or to help law enforcement pursue these criminals.

I believe that the VA should take a leading role in this fight. The Ranking Member and I, as well as other members of this Committee, will be writing to the Secretary of the VA to ask what steps the Department is taking to assess the risk posed to our Nation's veterans and what can be done to protect them from fraud.

As Veterans Day approaches, we remember all those who served, not just by honoring their service through our words, but also by the actions that we take. Veterans and their families have a right to expect that the Nation they served will fight to protect them from unscrupulous individuals. As the AARP says in its bulletin, "They protected us. Now it is our turn."

I am now happy to turn to our Ranking Member, Senator Casey, for his opening statement.

Thank you.

**OPENING STATEMENT OF SENATOR
ROBERT P. CASEY, JR., RANKING MEMBER**

Senator CASEY. Chairman Collins, thank you for holding this important hearing, especially as we prepare for Veterans Day.

I am pleased, as I know we all are, that we are joined by three veterans, one of whom is an active reservist, on this panel today. We want to thank each of you for your service to the Country and grateful for your testimony today.

Veterans Day is only days away, and it is a day when we honor those who served our Country, not only in war, but also in peace and it is a reminder of our abiding responsibility to serve them, to serve them in return.

President Lincoln outlined a simple but vitally important mandate when it comes to the care that our veterans are owed: "That we must care for him who shall have borne the battle and for his widow and his orphan."

Way back in 1991, my father was taking the oath of office as Governor, it just happened to be the day before the invasion of Iraq when our soldiers were heading into combat, and at that time, he said, and I am quoting, "We pray for them and for ourselves that we may be worthy of their valor."

Being worthy of their valor, if you are a legislator, if you happen to be a Member of Congress, if you are going to prove yourself worthy of their valor, you ought to prove it. You ought to prove it by your actions.

Here in the Senate and the Congress overall, we have the opportunity and the ability to demonstrate that we are worthy of their valor by ensuring veterans receive every single benefit that they are owed and even more, and when we learn of barriers to those benefits, we must work to overcome those barriers.

That is why I am fighting so hard to hold the Department of Veterans Affairs accountable for providing every veteran access to information about their VA benefits.

My legislation, the VA Website Accessibility Act, which I hope we can pass by the end of this year, would get us one step closer to comprehensive accessibility for veterans. It is why I am also fighting to ensure that caregivers who watch over our veterans every single day are supported and given respite.

The Supporting Veteran Caregivers Act would ensure veteran caregivers cannot be arbitrarily kicked out of the VA Caregivers program. As we will discuss today, it is why Chairman Collins and I wanted to hold this hearing, to ensure that not one more veteran—not one more veteran loses one more penny to a scammer,

a schemer, or a con artist, so we must not stop with just the hearing.

We know that 78 percent of veterans reported receiving a scam attempt related to their veteran status, almost eight out of ten. If we are to be worthy of the valor of our veterans, this number should be zero, not 78 percent. It should be zero.

A recent report from the GAO found that the VA lacks a central clearinghouse for soliciting and collecting information on potential financial exploitation of veterans receiving pension benefits. To say this is troubling is an understatement.

The GAO provided the VA with clear recommendations for addressing this problem, and now I am quoting, “systematically solicit and collect information on potential financial exploitation” and “assess this information to address plans to address the potential exploitation of veterans receiving pension benefit.”

Instead of working to implement the recommendations, the VA is putting in place a process that the GAO claims would “not fully address the underlying issue.” I think they are being a little charitable there in their assessment of what the VA is doing in response.

This is totally unacceptable. That is why we are sending a letter—members of this Committee, Chairman Collins and I and others—to find out more about this decision and also why the VA is not doing more to combat scams against veterans.

As we will hear today, in order to put an end to the predatory practice of scammers, scammers of the worst kind who prey upon those who have served, there needs to be an all-hands-on-deck approach. We need to find a way to stop these scammers from getting through phone lines. We need to be sure that people are educated about how to avoid becoming victims of a scam. There must be a place to report scammers, whether that is the Department of Justice, the Federal Trade Commission, the VA, or right here at the Aging Committee by way of our Fraud Hotline. We need to ensure that prosecutors have the tools they need to go after these criminals and keep them behind bars.

I am certain that our hearing today will touch upon all of these topics and more, but it is unconscionable to me that someone would stoop so low as to steal money from someone who agreed to sacrifice so much for our Country. It is also unconscionable to me and I know members of this Committee that someone would stoop so low to pad their own pockets by spewing a tale of caring for veterans, when they are doing nothing of the kind.

Chairman Collins, this hearing could not be more important. We thank you for holding it, and we look forward to the testimony of our witnesses.

The CHAIRMAN. Thank you, Senator Casey.

I want to acknowledge that Senator Braun and Senator Blumenthal have joined us, and we are now going to turn to our panel of witnesses.

Our first witness is Ben Wells from Portland, Maine. Mr. Wells is an Air Force veteran who participated in Operation Enduring Freedom. He flew 35 combat missions, earned an Air Medal, and was honorably discharged in 2013. He then had the wisdom to move to the great State of Maine, where he became involved in the

Vet2Vet program, a local nonprofit that matches veterans for companionship, mentorship, and other assistance.

I will now turn to our Ranking Member to introduce our second witness.

Senator CASEY. Thank you, Chairman Collins.

I am pleased to introduce LaVerne Foreman, who is at our witness table today, all the way from Herndon in North Cumberland County. Now, that is a pretty good ride from here. LaVerne, we thank you for making the trip, and we are grateful you are willing to be with us.

LaVerne served in the U.S. Air Force, the U.S. Army Reserve, as well as the National Guard. He later worked as a civilian employee for the Army. He is here today to share with us what happened to him a few years ago when con artists stole money from him claiming it would go to a veterans organization. LaVerne later learned that there was no organization. He reported what happened, and it is possible that he will be able to help the prosecution of the scammers.

I would also like to welcome LaVerne's wife, Doris, who is, I think, over his right shoulder, who is with us today, his daughter, Terry, and son-in-law, Jeffrey, who are also here.

We are all so grateful, LaVerne, as we are to all of our veterans today, and we hope every day that we are grateful for your service but especially for taking the time to be here. Thank you.

The CHAIRMAN. Thank you.

Our next witness will be Dewayne Richardson, the District Attorney for three counties in Mississippi. He has been a real leader in combating these scams. First elected at the tender age of 30, one of the youngest DAs in the State's history, Mr. Richardson later became the first African American to serve as president of the Mississippi Prosecutors Association.

Finally, last but certainly not least, we will hear from Inspector Carroll Harris, the acting Inspector in Charge of the Communications, Governance, and Strategy Group at the United States Postal Inspection Service. Inspector Harris is also a lieutenant colonel in the U.S. Marine Corps Reserves, who has served in Iraq and Kuwait and was awarded the Navy and Marine Corps Commendation Medal. He now leads Operation Protect Veterans for the Postal Inspection Service and will discuss its efforts to combat fraud targeting our veterans.

Mr. Wells, we will begin with you.

Thank you all for being here.

**STATEMENT OF BENJAMIN WELLS,
VOLUNTEER, VET2VET-MAINE, PORTLAND, MAINE**

Mr. WELLS. Thank you, Chairman Collins, Ranking Member Casey, members of the Committee. Thank you for having me here. It is an honor to speak about this issue.

As you said, Senator Collins, I was an Air Force veteran. I got out in 2013 and relocated to Maine in 2014. Upon arriving there, I wanted to continue my dedication to service, and I was looking for opportunities to volunteer while I applied to graduate school. I found Vet2Vet Maine, a simple internet search, and I liked what they had to say. They offered companionship for isolated veterans.

Senator Collins indicated that there is a significant number of veterans in the State. What I would also like to emphasize in the State of Maine is that there is a significant number of elderly men and women in the State, and veterans are not exception.

What Vet2Vet Maine seeks to address is the isolation of those veterans, first and foremost, but also connect them with benefits that they likely qualify for and have not been receiving.

When Vet2Vet contacted me, I went in, and they gave me a background check and got me trained up and connected me with a veteran who was in his 80's. He was a Korean War Air Force veteran who was a maintainer on jet aircraft.

Over the course of several weeks, I was in his house once a week meeting with him and his wife, having conversation, coffee, taking him out to lunch, getting him out of the house. It was clear to me that they were isolated. They lived in Windham, Maine, which is not a metropolitan area. I was able to have a good connection with them, and I became aware that he had never, in 60 years of being out of the military, been connected with the VA in any way.

I also became aware that his wife had contacted the Vet2Vet Maine program as a way to get respite care potentially and maybe in-home care, as he was in declining health. He had significant health problems, including physical issues, chronic pain, and diabetes. At the time that I saw him, they were spending hundreds of dollars on diabetes medication alone and living off of a very small pension from a telecommunications—his work in telecommunications and his Social Security benefits. That became my first order of business is to try and get him connected with the VA and get him the care, medical care, potentially pharmaceutical care, that he not only qualified for and deserved but really, really needed.

In the process, I was able to help them fill out the paperwork. I contacted the Vet2Vet Maine program to get him a case manager and make them aware of some of his needs in the home and see if there are other organizations that could help them out.

In that process, she continued, as paperwork was slow to process, as it always is. She continued to reach out. She saw an ad in the newspaper—I think it came with the coupons—for a program that was advertising free in-home care and respite care for veterans. Free sounds really good to a person on a fixed income, so she contacted this organization.

She had the foresight to also reach out to me to sit in on this conversation. I accepted. The nature of this was two gentlemen showed up to the house offering free respite or in-home care to them. Their sales pitch was that what they were going to do is they were going to assist them in obtaining a pension from the VA, and that would also allow them access to the Aid and Attendance Program, as you previously mentioned.

What they wanted and what struck me, sort of the first red flag in this situation, was how they were going to finance this, and they wanted my veteran to open up a separate checking account that they had draft rights on so they could auto-draft. The VA pays you direct deposit. They were going to auto-deduct whatever pension and benefit that they got.

That is not out and out illegal or anything, but there was no conversation as to why that existed instead of regular payment methods.

I started to ask questions. They then continued and said how they were going to get him to qualify the means test, which all these pension of benefits are means tested, and he was slightly over, and at which point, he started to describe a method that they could report medical bills to the VA to lower their total income and pass a means test. That is fine, except that even with medical bills, even with the hundreds of dollars in insulin, they were not going to pass it.

He suggested that they employ, in air quotes, their daughter as a medical aide, which she was not qualified, trained, or certified in, to do things like filling their prescriptions over the phone or going and picking up prescriptions and this sort. They could pay her, which they were not going to, a stipend, and then put that into their accounting. The fuzzy math is where I really threw down that this was not a good idea.

Luckily, they trusted me. I said, "You really should not do this," and they were able to avoid the scam. They ended up going through the regular process. They got benefits. They got in-home care and respite care through, I believe, the VA and some other organizations. Ultimately, he was moved to hospice, and then he passed. At least in the later stages of his life, he had that care, and it did not put significant financial strain on the veteran.

Thank you.

The CHAIRMAN. Thank you so much for intervening and caring enough to do so. I just cannot imagine what the final years of life would have been for this couple if they had not followed your advice. I am sure that they would have lost everything that they were getting that was in that separate checking account.

Mr. Foreman?

**STATEMENT OF LAVERNE FOREMAN, ARMY AND AIR FORCE
VETERAN WHO WAS SCAMMED BY A FAKE
VETERAN'S CHARITY, HERNDON, PENNSYLVANIA**

Mr. FOREMAN. Chairman Collins, Ranking Member Casey, members of the Committee, I thank you for inviting me to testify here today. It is an honor to be here and talk to you about veterans scams.

My name is LaVerne Foreman, and I am 82 years old. I live in the Herndon area in Pennsylvania. I am retired both from the Civil Service as well as the military, having served in the Air Force, the Army Reserves, and the Army National Guard. I am proud to be a veteran. For the most part, people thank me for my service. It never occurred to me that someone would be so cold-hearted to make a call and claim to care for veterans when, in reality, all they are doing is lining their own pockets. Five years ago, I learned how reckless they can be.

When I received a phone call from Senator Casey's office inviting me to testify before you today, I was pleased to accept the invitation and share with you what happened. It is not easy for me to talk about this, being scammed. What I am doing today is an extension of my service. I feel a sense of responsibility to warn others who served and to be vigilant against scams.

Let me explain. In September 2014, I received a call from an organization, Disabled and Paralyzed Veterans Fund, or DPVF, requesting a donation. I was told in the conversation that the organization was dedicated to helping disabled and paralyzed veterans. It raised funds to support VA hospitals and end veteran homelessness. I have donated to similar organizations in the past because of my concerns for and the sensitivity of my peers.

I pledged at that time to send a one-time donation to DPVF for \$20. However, when I received the pledge letter, the organization that they sent me, it showed that I had pledged \$25. I thought this was odd. However, rather than arguing with them, I sent the \$25, as listed.

The following year in 2015, DPVF called me again to request a donation. I pledged to give an amount that was given previously. Again, when I received the pledge letter, it was a few dollars more than I had pledged on the phone, this time \$35. I grew even more suspicious but believes it was just the way of fundraisers trying to get more money.

I tried calling the organization in Washington. They listed a Washington, DC, telephone number, but it was of no help. I ended up writing a letter to them to explain that I had agreed to a lower amount and that I questioned their approach. I enclosed the check for the \$35. I did not want to get into an argument, and I asked them at that time to remove my name from their contact list. I did not want to hear from them again.

In February 2016, when I received my statement from my credit union, I noticed a check listed with a number that is not within the number sequence of my checks. I thought it was strange. I called my credit union, and they confirmed that it was a remotely generated check from Disabled and Paralyzed Veterans Fund.

I was kind of shocked that they must have made a copy of my check and kept the routing and account number information. I had not spoken to this organization or sent a recent donation, and I realized I was scammed.

There are a lot of legitimate organizations, veterans service organizations, VSOs, like Paralyzed Veterans of America, Disabled American Veterans, but I soon realized that there is no such organization as Disabled and Paralyzed Veterans Fund.

At that point, I reported this matter to the Pennsylvania Attorney General's office. I was later contacted by the U.S. Postal Service and was glad to hear that there is an investigation, and that there will be some kind of action taken against this organization.

I know that I can be considered one of the lucky ones. I did not give the scammer a lot of money, and I noticed the fraudulent check immediately. I know not everybody is as lucky as I am.

These phony organizations and the people who steal money by pretending to help veterans must be stopped. I never believed that anyone would stoop so low as to steal money and benefits from a veteran. These scam artists rip off innocent people, and as a result, contributions are diverted away from organizations that are actually trying to do something for the veterans.

My loss may seem small, but I am certain that these scammers have targeted thousands, if not millions, of more people. The total

sum of this bounty probably far exceeds anything I will ever earn in my lifetime, and that is wrong.

On behalf of veterans, I ask everyone who can help to stop this activity to play their part.

Thank you again for inviting me to testify today. I hope by sharing my story, I can help someone from losing money to these types of scammers.

I thank you.

The CHAIRMAN. Thank you very much, Mr. Foreman, for coming forward and warning others. That is courageous of you, and I am sure that you will save others from going through what you did, even though you were able to stop it pretty quickly.

District Attorney Richardson, welcome.

**STATEMENT OF W. DEWAYNE RICHARDSON, DSW,
DISTRICT ATTORNEY, FOURTH CIRCUIT COURT,
DISTRICT OF MISSISSIPPI, INDIANOLA, MISSISSIPPI**

Mr. RICHARDSON. Chairman Collins, Ranking Member Casey, and members of the Committee, I am District Attorney Dewayne Richardson, and I represent the Fourth Judicial District of Mississippi. Thank you for the opportunity to testify before this Committee about our office's investigation and prosecution of the crimes committed by Gina a/k/a Tammi Palasini.

My office first became aware of Palasini's actions due to a single bad check. This check led to the unraveling of a fraud that amounted to millions of dollars stolen from the elderly, veterans, and their families.

In 2011, Palasini was formally introduced to 89-year-old Grace Ward and her family through staff at a facility where Grace Ward was a resident. Palasini promised the Ward family that she would provide a 10 percent return on their investment, along with securing Medicaid benefits for Grace Ward, which could be used to offset the cost of living at the facility. With that promise, the Ward family presented Palasini with a cashier's check in the amount of \$189,000. That was Grace Ward's life savings.

When Grace Ward passed away 3 months later, the family contacted Palasini, who assured them that she would repay their money plus interest. After many false promises and excuses, Palasini had a check hand-delivered to the Ward family on September 30, 2011, in the amount of \$192,000. This was to include the initial investment as well as \$3,000 in interest, and it was at this moment when Palasini committed the crime of check fraud.

Grace's son, Roy Ward, contacted my office as Palasini's business has a location in my district, and after learning the depth of Palasini's crimes against the Ward family, my office manager, Tamicko Fair, became determined to do everything possible to make this family whole and attempt to recoup their funds.

My office's investigation into Palasini would last almost 5 years. She was tracked down after being listed in the Riverside County Mental Health Board's monthly meeting agenda, and at that time, she was operating as Senior Benefits Consulting in Riverside, California.

With the assistance of Hugh McClendon with the U.S. Marshals Service for the Northern District of Mississippi and other law en-

forcement agencies, Palasini was captured, arrested, and brought back to Mississippi on our Sunflower County warrant. It was also at that time, due to media publicity, that I began to receive phone calls from other victims from across the State, and it was also at that time that I learned of an investigation being conducted by Kyle Parker, a U.S. Postal Inspector.

One of those additional victims that I spoke with was World War II Air Force veteran Johnnie Ray Toland. As Mr. Toland grew older and began to show signs of Alzheimer's, his children began to look for assisted living locations for him, and staff members at one of those locations introduced the Toland family to Palasini in 2011.

The Tolands were made the same fraudulent promises as the Wards, and Palasini was able to convince that family to hand over control of \$340,000 of their funds. Palasini guaranteed that Mr. Toland would receive veteran's benefits as well as the same return on his investment as she promised the Wards.

Johnnie Ray Toland went on to live 3 more years, and it was not until his passing that his family learned of Palasini's fraudulent scheme. On the same day of his funeral, a Postal Inspector contacted his son, Jimmy, and told him of Palasini's fraudulent schemes and also told him that on the same day that they gave Palasini control of their dad's \$340,000, she used their money to purchase a race car and advertising for her son.

Ultimately, Palasini was convicted in three counties in Mississippi: Wayne, Pike, and Sunflower. She was sentenced to serve 20 years in prison for all three counties today.

In addition to the Mississippi convictions, Palasini was also charged later in 19-count Federal indictment in 2015. She pled guilty to one count of the indictment and was sentenced to 53 months in custody to run at the same time as she served the Mississippi time. In the Federal conviction, Palasini was also ordered to pay over \$2 million in restitution.

After speaking to the victims of Palasini, words cannot express the level of devastation she imposed on their lives. All of her victims were elderly citizens, some of whom were veterans.

For the Ward family, Palasini's crimes imposed a severe financial hardship. I learned that Grace Ward's one desire as she grew older was that she be able to provide for her family financially after her death, and Palasini took that way from them.

In total, Palasini was ordered to pay over \$2.5 million in restitution between State and Federal courts. To date, Palasini has not paid one cent in restitution in my conviction in Sunflower County, and she has only paid in all her crimes \$50 toward a \$100 mandatory Federal assessment.

A well-respected prosecutor in Mississippi has often said it is our duty to care for our widows, our orphans, and our elderly. What began as a complaint for a felony worthless check has brought awareness to a greater problem in our society.

Victims described Palasini as a very smart, connected, and ultimately a very conniving individual. Palasini found her victims at the very institutions that should have cared for and protected them, but when she presented them her proposals, she came to the meetings with all the right credentials and all the right connections to achieve the results that the victims desired. However, in the

end, all she left each family with was an empty bank account and broken promises.

Thank you for the opportunity to testify before this Committee, and I look forward to answering any questions.

The CHAIRMAN. Thank you very much, DA Richardson. I am very grateful for your compassion for the victims of these crimes and your determination to put these criminals behind bars. Thank you.

Inspector Harris?

**STATEMENT OF CARROLL HARRIS, ACTING INSPECTOR
IN CHARGE, COMMUNICATIONS, GOVERNANCE AND
STRATEGY GROUP, UNITED STATES POSTAL
INSPECTION SERVICE, WASHINGTON, D.C.**

Mr. HARRIS. Good morning, Chairman Collins, Ranking Member Casey, and members of the Committee. Thank you for holding this hearing on veteran-related scams.

My name is Carroll Harris. I am the acting Inspector in Charge responsible for communications within the U.S. Postal Inspection Service, the law enforcement, crime prevention, and security arm of the Postal Service.

I started my career in Government service when I joined the Marine Corps in 1990. I served 10 years of active duty, including combat duty in Iraq. I continue to serve as a Marine Corps reservist.

According to a recent AARP survey, veterans are twice as likely to unknowingly participate in a scam as compared to the general population. The survey also found that the vast majority of veterans encounter scams that have been tailored just to them. These will be veteran pension buyouts, fake vet charities, and scams that offer special access to veteran benefits but for a fee.

In these cases, the scammer makes it appear they represent a Government agency or veteran organization or claim that they themselves served in the military so they can create a sense of affinity. Imposters like these know that members of the military have been trained to rely upon and to trust other service members and to honor the bonds of service.

Another finding from the survey found that veterans experienced post-traumatic stress at a rate more than double the general public. It can be extremely difficult for a veteran to recognize when their otherwise good judgment has been temporarily clouded by what an experienced fraud operator is selling.

In one case, Postal Inspectors investigated Gina Palasini who led vets to believe she was a certified advisor affiliated with the Department of Veterans Affairs. She told older veterans, she could boost their pensions by making it appear they had fewer assets than they really did and could then qualify for greater government assistance. She also offered to reinvest her client's money in financial products that she would control, but Palasini failed to warn them she was jeopardizing their benefits with clever moves like these.

In reality, the fraud operator never reinvested the money on the veteran's behalf. She simply took the money and spent it on herself; that is, of course, until she landed in jail.

In another case, a fake charity led people to believe their donations would help disabled and paralyzed veterans, especially vets who were vulnerable to suicide. Mr. Foreman, another witness

here, received one of their solicitations in his mailbox. He generously gave. His donation never went toward helping anyone but the scammers, who have been referred to the Department of Justice for prosecution.

In 2017, AARP and the U.S. Postal Inspection Service launched Operation Protect Veterans. Since that time, we have been sharing tips on how vets can safeguard their assets and protect their personal information. With the help of veterans organizations, libraries, senior centers, and more than 30,000 post office across the country, we distributed these customized brochures and surveys.

The survey has served two important purposes. First, it is a means for veterans to tell us what kinds of scams they are seeing, but more importantly, by filling out the survey and returning it, it has raised their awareness. Even more, we believe it has boosted their immunity to fraud.

When Postal Inspectors are asked how can consumers stay safe financially, we tell them just remember to stop and talk. If you receive a request to invest money or pay a fee or collect a prize or send money to someone you have only known online, find a friend before you reach for your wallet. People who operate fraud schemes are successful because they are persuasive and because they have convinced us to keep it a secret. Why? Scams only work when we are isolated from the people we know and trust at any age but especially after we retire. We all need to make sure there is an extra pair of eyes on the decisions we make about our money. We need a trustworthy friend or a family member we can talk to. In the military, we refer to this person as our foxhole buddy. We like to say, "I have got your six." Think of the hands of the clock facing forward at 12 and backward at six. "I have got your six" is another way of saying "I have got your back."

When I was in a foxhole, my buddy was the person I trusted to be my eyes when I could not see, and I did the same for him. My buddy literally was up when I was down, and when he was down, I was up.

I use a lot of military jargon. I grew up in a household where it was used freely. My father served in combat in Vietnam, and my grandfathers served in World War II. "Service," "honor," and "duty" were household terms used daily.

When the Postal Inspection Service launched Operation Protect Veterans, I shared this brochure with my dad. I told him, "Dad, you have me to talk to about money matters, but not everyone has someone to confide in. Maybe you can help others. Pass this brochure to your friends. Be a foxhole buddy for someone else."

Before I conclude, I want to thank the Committee for its efforts to stop fraudulent phone calls. We know the scams do not just happen over the telephone line, but the ease with which a telemarketer can influence others over the phone is unparalleled.

Postal Inspectors routinely tell consumers, work with their phone service providers to stop robo and other unwanted calls.

Thank you for helping to keep fraudulent calls from ever ringing out phones in the first place.

I appreciate the opportunity to share with you the work that Postal Inspectors do to protect veterans and safeguard the American public from fraud.

The CHAIRMAN. Thank you very much, Inspector Harris. I know firsthand what a great job the Postal Inspection Service does, and I really appreciate your passion for this cause, so thank you.

Mr. Wells, Mr. Harris talked about how important it was to have someone that an older veteran can talk to, and as I understand it, that is exactly what you did. Could you tell us a little bit more about the Vet2Vet program and the training that you received?

Mr. WELLS. Absolutely. The Vet2Vet program provided its volunteers, does provide its volunteers with training to understand, first and foremost, how to connect with the veterans, contact them weekly, send them emails, followup, see how they are doing, because they are going to be the eyes and ears in the household. How can you recognize if your veteran has a bunch of food that is in the refrigerator going bad? Can you recognize if they are able to maintain and upkeep themselves and maybe recognize some signs or symptoms of cognitive decline or mental health issues but really just sort of to be the eyes on the ground?

As far as scams go, they offered some training on how to recognize financial scams, some information on scams that had been perpetuated before, and then a big focus of what that training was, it was to allow the veterans to understand—the veteran volunteers, I should say, the volunteers to understand the number of organizations and benefits that veterans and elderly qualified for in the State.

We did not have to have an intimate knowledge of these things or an encyclopedia knowledge of these things but recognize if there is a need that we could refer back to the agency and that they would be able to connect people for legal benefit, for health care benefit, whether it was VA or State or just even in the community, that they were the resource.

The CHAIRMAN. Let us talk about the scam that you helped prevent. A lot of times, the con artist uses the telephone or the internet to send an email or a solicitation comes in the mail, as Mr. Foreman mentioned, for a phony charity, but if I understood you correctly, in this case, it was a flyer, an ad that was included in the local newspaper, the Portland Press Herald, I assume, along with all the other flyers and ads. Is that correct?

Mr. WELLS. Yes, ma'am. It was an ad that was placed. I think it was part of the newsletter for the Southern Maine Agency on Aging, but it was something that just was sent out, like anybody. Most people toss these things away as junk mail, and it was a small ad. It was advertising exactly what I said, which was free in-home and respite care for veterans, so directly targeting advertising.

The CHAIRMAN. This is an unusual method of trying to rip off our veterans. Most of the ones that we hear about are the telephone calls, the robocalls, the internet scams, or the direct solicitations in the mail. I think, in many ways, people would be less on guard for that kind of approach.

Was it difficult for you to convince this older veteran that it was a scam, or had you built up a relationship by that point so that he and his wife trusted your judgment?

Mr. WELLS. I do not think it was difficult at all. It was a sad thing to see that he, the veteran, was really excited about this be-

cause, finally, his wife had some relief. He was not mobile, or it was very hard for him. He had the assistance of a walker, and we are talking about a 200-pound, 6-foot man in his 80's, and she was also in her 80's. He was really excited about this opportunity, and then I had to sort of sweep the rug out from under them.

His wife almost immediately said that—once I had laid out why this was likely a bad idea and sounded like it would expose them, at the very least expose them to legal problems with how they were going to do the accounting and potential fraud, she definitely, because of our relationship and what she had seen with me and her husband, was right on board.

The CHAIRMAN. Inspector Harris, one of the advantages of the Postal Service is there are post offices everywhere, in very small communities as well as larger urban areas.

Tell us a little bit about how you make sure that this important flyer, which warns veterans about scams but also cleverly has them fill out the survey so that you can get information and they get more educated. How are they distributed, and how do you advertise this program?

Mr. HARRIS. Yes. Chairman Collins, thank you for that question.

There are over 30,000 post offices across the Country, and the post office lobby is incredibly valuable real estate for the community. As part of our efforts to help spread the word, raise awareness, we have placed these brochures in those lobbies across the country. We did that back in 2018, and we have received many responses from them. We believe that we have helped not only veterans but the population in general by highlighting the scams and schemes that are out there, and we hope it served as a call to action to also share with others as we seek to enlist everyone in the fight against fraud by raising the awareness and calling them to help protect themselves and serve others in the community.

The CHAIRMAN. Thank you.

Senator Casey?

Senator CASEY. Thank you very much, Chairman Collins.

LaVerne, I will start with you. As I was listening to your story again and seeing it in writing but also hearing you telling it, I was reminded that it would be very easy for a lot of people to send that little extra, few extra dollars after you knew that it was more than you had promised, and because of the dollar amount, you could see how easy it would be for someone to gradually fall into the trap.

Absent this hearing and absent being educated by my staff and others, without that, I probably would have done the same thing.

When you think about the dollar amounts, we live in a country—I just had my staff check. I think the U.S. number is about 18 million veterans. I know in our State of Pennsylvania, it is over 800,000. About 819,000, I think, is the last number I saw.

The number of veterans is so big and the targeting is so substantial, if GAO is right that about 80 percent, roughly, have been targeted, you could get a lot of money accumulating with those small-dollar amounts. It is very easy for any one of us to fall into that, number one. Number two, when I go around our State and visit senior centers, one thing I try to urge folks to do, knowing that it could happen to anyone at any age, is to hang up if you have any suspicion. I do not think I would have had a suspicion in the case

that you cited. I would have probably gone along, at least at one point. I hope maybe I would have cut it off when you did.

Mr. FOREMAN. Right.

Senator CASEY. Other than something as simple as saying if you have some suspicion, hang up, that is pretty simple advice, but, I guess, what other tips would you give especially to veterans based upon the experience that you had? The fact that you are here provides that kind of advice for others.

Mr. FOREMAN. The number one action we took was caller ID to screen calls.

Senator CASEY. Right.

Mr. FOREMAN. I feel that is an important step in the right direction. I do not answer calls that I do not recognize.

The other is that if you do respond to a telephone call and somebody is asking for funds is to not provide a credit card or a check number. Force them to send you a pledge letter. They all will do it.

We also have to recognize how we as veterans telegraph our veteran's status, and we do it unknowingly. Seventy-five to 80 percent of the return labels I put on my letters are either American Legion, VFW, USO, something to do with the military. People receiving those, even if they were not knowledgeable that I was a veteran, my letter basically tells them. Plus, the credit union that I use is primarily one that is from a military organization.

There is multiple ways I am telling them that I am a veteran, even though I do not verbalize it on the phone.

Senator CASEY. That is pretty easy to fall into that.

I want to ask you one more question. In your case, the fake charity used the bank and routing number from checks you had sent them to take money out of your account, and as you referred to in your testimony, they use the information to create a "remotely generated check," kind of a phrase of art.

This type of check, as we know, is legal but only when the account holder gives permission for the money to be withdrawn in this way.

You mentioned you were shocked when you found out about it, and clearly, you were not aware of remotely generated checks before this, nor was I until you brought it to our attention.

Is there anything you wish your credit union could have done prior to the funds being removed to confirm that you did not give your consent, now that you are on the other side of anything—

Mr. FOREMAN. Now that I am on the other—it would be nice if the financial institution—they know the sequence of your checks. They normally sort by numeric sequence, and in that, my organization always puts an asterisk after if there is a skipped check. In my case, at that time, my check series was like 3600, and all at once, there is a check that is coded 9000. You would think that would set off some kind of a bell or whistle at the financial organization. I wish it was that way, but it did not happen.

Senator CASEY. Thanks very much, Madam Chair.

The CHAIRMAN. Thank you.

Senator Braun?

Senator BRAUN. It is amazing that we are even discussing this and that there seems to be like a farm system of bilkers out there.

I am curious. Ben, do you know when that particular individual started that scam—and is it still going on—what the life span is of the folks that get into the business of bilking? Do you know in your case?

Mr. WELLS. I mean, I am speculating. I could not tell you exactly the timeline, but it sounded like the operation was fairly new by the way that they were describing it, and afterward, I did a recent research.

When I first had a contact with them, I had their business card, and I kicked myself for getting rid of it. I did a recent research, and I could not find anything that was under that name any longer. I am also going off of memory for the name, so I am not sure if I had it exactly right.

Senator BRAUN. They could have faded into the sunset——

Mr. WELLS. Absolutely.

Senator BRAUN [continuing] and gotten by with what they did?

Mr. WELLS. Yes.

Senator BRAUN. LaVerne, do you know is the Disabled and Paralyzed Vets Fund still out there sending solicitations?

Mr. FOREMAN. I do not think so. As far as I know, they have been shut down.

Senator BRAUN. I know even just running a company, when it comes to checks, that does not discriminate in any way. It attacks anyone that has a check out there. We constantly in our own company will find checks where they get your check, do a reproduction, and then, in this case, 9000 out of context with 3000, it seems like the institutions themselves—I know we have had discussions before, what is the responsibility of phone companies or banks when it comes to a lot of this stuff should be easy to ferret out among the institutions that are used to process these scams.

Dewayne, I am curious. The battle against this, is the life span short of the scammers, and where you get rid of one, you are going to have two or three crop up? What has the trend line been? Is it getting worse? Is it getting better? It seems like there is a lot of tools out there technologically where if the institutions that are used—banks, phone companies—were on their game, that you could figure this out before it becomes rampant.

Mr. RICHARDSON. Well, from what I can tell, it is dependent upon whether or not the scammer is caught.

In this instance and what I have seen in this investigation, Palasini started this action over 10 years ago, and it was not until 7 years later when she was ultimately convicted for all crimes, so she had at least that time period.

Also, in doing so, I learned that in California, she had made contact with other scammers, and there were two other individuals that started a business with her. In looking at their background, both of them had previously had problems with the law, so who knows to what extent they have done it or may still be doing it?

Senator BRAUN. That had the disguise of actually maybe having some legitimacy to it in the sense that you were going to get a good return, but it would be similar to Madoff where you did not have to pay out, and that in this case, 50 bucks on \$2 million. There is a lot to be said that we need to do a better job of preventing and

getting the institutions that are normally the vehicle, whether it is a bank or a phone company, more involved in it.

Carroll, because the Postal Service is used so often to be again an agent for this, are you finding more? Is it stabilizing? Less? What does the prognosis look for down the road?

Mr. HARRIS. The Postal Service has no interest in being an unwitting participant in any of these scams or schemes. As long as there is commerce, there will be scams and schemes; hence, the existence of the Inspection Service, our partnership with our other Federal, State, and local entities. We are going to continue to engage in the fight. It is still alive and well. It evolves.

Robocalls and the good work of the Senate, to stop the robocalls, an example of a digital evolution, but eventually, they connect to the mail. We move communications in commerce. We move physical goods, and eventually, the conspiracies at times will work their way into our web. That is when we catch them, and we engage with our Federal partners. We seek a whole-of-Government approach.

Senator BRAUN. Are your antennae more alert now, and do you have methods and policies where you are starting to prevent it? Or are you generally reacting to a fair accompli?

Mr. RICHARDSON. We use both. We believe strongly in prevention, prevention messaging, optimizing the messaging that we give to the public and the American consumer. We also vigorously enforce the laws as they are written, so it is both, and we have been doing both for decades.

Senator BRAUN. Thank you.

The CHAIRMAN. Thank you, Senator.

Senator Jones?

Senator JONES. Thank you, Madam Chair, and thank you to all the witnesses for being here. I really appreciate all we are hearing today, especially from a fellow prosecutor and Postal Inspector, I worked with as U.S. Attorney a lot.

You know, Madam Chair, I cannot help but think, though, as we are listening to this concerning illegal scams and criminal activity, I hear the same phrases of diverting money and false pretenses and taking hard-earned money from veterans and particularly protecting and caring for our widows, our orphans, and our elderly, and I cannot help but think about a somewhat legal scam—I am just going to say it—that you and I have been working on, and that is the elimination of the veterans' military widows tax.

Congress of the United States is allowing that to be diverted and changed, and I appreciate your work so much on helping us. I am still hopeful that we can get that in our NDAA this year so we can eliminate that scam once and for all.

I would like to kind of focus initially with my DA buddy and Mr. Harris because I know firsthand these are difficult to track down and prosecute, and technology is changing. It seems like when I was a prosecutor and even as a defense lawyer some, it seemed like the bad guys were always a couple of steps ahead. They were able to work and to do things.

What tools do you need? Are there other tools that you could use right now to both track down and prosecute?

I appreciate the idea of deterring and trying to make awareness, and that is wonderful that we are trying to do that. We are not going to stop this. I mean, it is going to continue. What can we do as a Congress to give you additional tools on both the State and Federal level to try to stop these guys in their tracks so that these folks do not last for years before they are apprehended?

Mr. HARRIS. Thank you for the question, Senator.

The Inspection Service has been in consultation with the Department of Justice to seek an expansion of our administrative subpoena authority to be in par with other Department of Justice, Federal law enforcement agencies, so that we can do more quicker to fight frauds or any of the other 200 Federal statutes we enforce to maximize the existence of our resource. That is something that we are in consultation with Department of Justice.

We believe they are exploring the legislative approach to help us become on par with other DOJ entities there, so that is something that can help us.

Your continued support of our Federal law enforcement partners, your efforts to stop robocalls, I applaud. If you continue on that lane, I believe we are making a dent, and we are forcing the criminal conspirators to evolve.

Senator JONES. Right.

Mr. RICHARDSON. Mr. Jones, thank you for the question.

From what I have noticed, there are a lot of businesses like that, that Palasini operated. She operated businesses by the name of Veterans Pension Planners, Medicaid Planning Resources, Medicaid Planning Specialists, Senior Benefit Consulting. All of these sounded legitimate, and there are many other businesses like this.

I would think that, one, maybe if companies such as this are required to register or have various qualifications to administer the service that they are telling their constituents they can provide, that may be of some benefit. If those same companies, those preparers were somehow required to sign off on those applications that they are telling their constituents that we can provide just resource with providing Medicaid services or veterans benefits service—if they are somehow required, just like a tax preparer, to sign off and put their name on a dotted line saying that they are the ones responsible for the information generated, so that we will be able to have some type of record definitely who is involved with what case.

Senator JONES. That is fair. I really appreciate that, and I would urge both of you to look at a bill that Senator Cotton and Senator Rounds and Senator Warner and I have to update our money laundering statutes. We have got it pending right now. We are hoping to get through, and, DA Richardson, it would address just that very issue, the issue of beneficiary ownership, and require an index, require a list of the beneficial owners of all of these shell corporations that are out there performing these scams.

Thank you, and I would urge the DA's association to maybe get involved and get behind that.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator.

Senator McSally?

Senator MCSALLY. Thank you so much, Chairman Collins. Thanks for having this important hearing.

Thanks for all of you for sharing your testimony, especially Mr. Foreman. I know there are so many like you who are not willing to come forward and share your testimony of what you went through, so thank you so much for that.

These scams are coming in so many forms, and I will tell you, as a veteran myself, there is a special place in hell for these people who are scamming on our heroes who raised their right hand, took an oath of office, were willing to give the ultimate sacrifice, and they come home and now in a vulnerable place and in their older years or whatever age. These people are going after them.

I really appreciate this hearing, and we need to do more to do everything it takes in order to find them, track them down, and hold them accountable. This is infuriating.

These scams come in many different forms, as you all have shared, one of which was highlighted in Arizona recently where you have civilians who think they are meeting a military member on a dating app or some other way, and they are serving overseas, and they need some help. This is where now civilians are being roped into caring for our military, and Luke Air Force Base has said they are receiving many calls from civilians asking, "Is this person really in the military? Are they really deployed?" and they are having to kind of help sort that out, so somehow or another, tying people's love for our veterans and our military and their willingness to help, to scam other civilians, so this trend is going up as well.

I do not know if you can share anything on this perspective of how we can—because veterans and military identity are basically being stolen to create these false profiles for that. Any perspectives on that, DA Richardson or Mr. Harris, on what else we can do in order to protect veterans' identities as well, that they are scamming others? Everybody is getting scammed in this.

Mr. HARRIS. Continue expansion of the messaging we are providing. Generally speaking, in order to protect PII's, it is something we should do. Hearings like this, other community outreach. Identity theft is an international epidemic. Veterans are impacted, just like the rest of society. We need to take a societal approach to solving this, a whole-of-Government approach from the government side, but it is also outside of government. It is being that foxhole buddy for someone that needs a friend, having someone to check before you make a financial decision.

Senator MCSALLY. Thank you.

We hear these awful stories, and then as you say, Mr. Foreman, you do not trust anybody now. You do not trust legitimate charities calling or soliciting you, and that can have a really negative impact on those who really do need our support.

I want to highlight another scam. As a veteran, I get some of these things in the mail, and this is maybe not an official scam in the way it is identified. I get these letters. I have been getting gone of them a week lately, and I brought them with me to D.C. because I am so mad about it. Administrative notice: "Our review has indicated your VA loan waiting period has been marked as expired. Please keep a copy of this notice for your records. VA guidelines require waiting periods"—it is all nonsense—"and my equity re-

serves.” I knew something was off because name is Sally Martha Mic on here, Okay? These guys cannot even get their facts straight.

This is an actual bank, Federal savings bank. I am going to call them out right now. This is preying upon our veterans. Someone betting this is going, “Oh, some waiting period has expired? I need to call these people.” It looks like it is from the Government, and then you thinks g has expired. They are preying upon our vets to cash out or to pay ridiculous closing fees for legitimate—I mean, it looks like it is a legitimate loan, but it is misleading. It is confusing, and we are seeing more and more veterans complaining about these types of things. I am getting one of these a week.

Imagine veterans who call this number and then end up refinancing their home loan that they do not need to be doing for some interest rate and some closing cost that is robbing them of their hard-earned resources. This stuff needs to stop too, and I am going to see if we can work on this with the VA Committee to see how we can tighten up these types of scams too because they are confusing and misleading to our veterans.

Are you aware, Mr. Wells, of these types of other activities going on that are also robbing our veterans?

Mr. WELLS. Yes. I get a bunch of those, and I throw them out. I get them about my home, refinancing my home, or I use the VA-backed mortgage benefit, and since then, I have gotten plenty of them telling me that either my VA-backed mortgage is going to go up or I need to refinance it or I need to have some communication with some entity. I luckily have the wherewithal to read the fine print and recognize that it is not an official document, but I can only imagine, if I think back to my veteran that I was working with—

Senator MCSALLY. Yes.

Mr. WELLS [continuing] in failing health and struggling, and something like this comes across them, and why not?

Senator MCSALLY. Great. Well, let us work on those as well.

Thank you all for your testimony today. Appreciate it.

The CHAIRMAN. Thank you very much.

Senator Sinema?

Senator SINEMA. Well, thank you to our Chair.

The CHAIRMAN. I apologize. I did not see that Senator Blumenthal had come back. He was here at the very beginning. I apologize.

Senator Blumenthal?

Senator BLUMENTHAL. Thank you very much, Madam Chair, and thank you for having this hearing.

As long as I have been a prosecutor, when I was Attorney General in Connecticut, as long as I have tried to help veterans, this issue has been a perennial one.

I have to say I was particularly moved by Senator Casey in this opening remarks when he referred to his dad and the comment about our seeking to be worthy of the services of our veterans, and one of those areas where I think we often fail is to protect them from exactly these kinds of scams.

I recently sent a letter to Secretary Wilke along with our colleagues calling attention to this problem. I just came from a hearing of the Veterans Affairs Committee involving new judges at the

Court of Veterans Claims. This issue is one that is pervasive and ongoing.

I want to ask perhaps first Mr. Foreman, if I may. Thank you, along with the others, for being here today and for yourself. I appreciate your sharing your personal experience with us. I imagine it is pretty frustrating to be here.

Mr. FOREMAN. Yes.

Senator BLUMENTHAL. You have shared that you frequently donate to charities that actually support veterans. Unfortunately, this kind of scam is one of the most prevalent. If you had to advise your fellow veterans in identifying a legitimate charity versus a fraudulent one, what would be the signs that you would point out to them? Is there any way of telling?

Mr. FOREMAN. Not really. Longevity is what I use today, those that I know that have been around, and using names, American Legion, VFW, USO, like Wounded Warriors, some of those that I am familiar with, but it could be an outstanding charity that I never heard of. I am not going to donate.

Senator BLUMENTHAL. Some of them are lookalikes, right?

Mr. FOREMAN. Yes.

Senator BLUMENTHAL. Or sound-alike and lookalike.

Mr. Harris, can the VA do more, in your experience, to protect veterans?

Mr. HARRIS. Thank you for the question, Senator.

I am incredibly thankful for what the VA has done for me and other veterans over the years. I have been a recipient of care at the VA. I have had multiple procedures. We can always do more. Any Government entity can find opportunity to do more, and I appreciate any attention, guidance, and oversight that they are given so that they can optimize the way they watch out for, care for, inform, empower, and inspire veterans.

Senator BLUMENTHAL. I guess I know that you are sympathetic to the VA, and so am I. I am wondering whether they devote enough resources to making veterans aware, alerting them, and also reporting doing the kind of work that Mr. Wells has been doing with his colleagues and fellow veterans. Should they be doing more?

Mr. HARRIS. I cannot speak as to all of their programs. I am not a subject-matter expert on it.

I can say they have been a good partner of the Inspection Service. They have allowed us to extend messaging through their podcasts. They have allowed us to extend messaging on their blog, but I am not a subject-matter expert on exactly what they have in place as far as prevention programs, besides the ones with which we have partnered with them.

Senator BLUMENTHAL. Well, let me just say the Postal Service and Postal Inspectors do great work in this area. They are really unappreciated, I think, in a lot of what they do. People think of law enforcement as the FBI or the DEA, but what I found as U.S. Attorney and then as Attorney General was that the guys who really put these cases together are often the Postal Inspectors and they are able to track down some of the perpetrators of these frauds. I am hopeful that the VA can take advantage of those skills and make use of them better.

My time has expired, but I really appreciate all of you being here today. Thank you very much.

The CHAIRMAN. Thank you.

Senator Scott?

Senator RICK SCOTT. I want to thank Chairman Collins and Ranking Member Casey for putting this together.

I served in the Navy, and I have not had a situation where they have tried to scam me that I know of. Maybe they have and I did not know it. When you really think about it, it is guys like my dad who went and serve. He had a sixth grade education, and he never had any money. It would have been devastating to him if any of this ever happened to him.

I do remember one time where somebody came to buy one of his cars, and they never came back. He was such a trusting person. He had been an easy person probably to be a target.

In 2018, the Federal Trade Commission received 3 million fraud and identity theft complaints. I introduced a bill that is called the Identity Theft Victims Protection Act, which is basically if you have been the victim, rather than go on your record, that they mess up your credit, it goes on the record of the person that did it to you.

I know the VA has a hotline to deal with identity theft. What else should we be doing with regard to identity theft to help our veterans? Like my dad, my dad probably would have been—he is a pretty easy target.

Mr. Wells?

Mr. WELLS. Off the top of my head, I am not an expert on this, but I would imagine that if we had a system where identity theft specifically for veterans potentially rose to a higher level of prosecution, to have it be something as maybe a protected class or just a higher level.

I think also protecting the veterans' information and dissemination of that information, whether it is through outreach, through the VA, or through other systems. When you get out of the military, they want you to register for all of these things, so you kind of get in this mode of I am going to put down my name and Social Security number, name and Social Security number, and maybe have some sort of awareness or training at the end of the active duty servicemember's enlistment that says maybe stop doing that.

It is very common to go to the medical in the military, name and Social Security, name and Social Security, on all your forms always, so maybe introduce a little bit more awareness as these things are out there and to protect your own personal information.

Senator RICK SCOTT. Mr. Foreman?

Mr. FOREMAN. I think one of the things is a failure to recognize that a lot of us veterans, especially from my era, do not have computers, smart phones. They are not on Facebook. They are not on all of these new things. I have gone 21 years without a television. I have no computer in my house.

I do not have all of this. I read the paper. I listen to the radio. That is where I get my information, from magazines, newspaper, radio, so all of the efforts that are being done on some of these more modern fancy things, they are going over my head.

Senator RICK SCOTT. It would not help you.

Mr. FOREMAN. I am sure there is a lot of—you figure the homeless vets, they are missing out too. There is a lot of us older veterans that are not in the social media.

Senator RICK SCOTT. Mr. Richardson?

Mr. RICHARDSON. I would think, similar to what Mr. Foreman said. It is a matter of meeting those veterans or meeting those potential victims where you find them. As he stated, some may not use one type of media or may use another. Many of them may have been reached through mail, where the Postal Service might get involved or whether maybe the VA can get involved, not only creating awareness of the potential scams. There are scammers out there that are trying to reach potential victims. Especially with us, especially with our older population, if they have money, the scammers want that money. It is a matter of finding and reaching those potential victims and veterans, where you find them, and reaching out and raising awareness to them as far as what to look for because, as the crimes often evolve, we also have to raise awareness and evolve the way that we—create awareness to those potential victims.

Senator RICK SCOTT. Mr. Harris?

Mr. HARRIS. I would echo what DA Richardson shared, enhanced education and awareness with the target audience and the veteran population. They have an incredible infrastructure with which they can do this. They have face-to-face time through all the other activities that already exist as part of what the Department of Veterans Affairs is doing to care for its veterans.

I would say the opportunity exists, and I appreciate you asking that question.

Senator RICK SCOTT. Thank you, Chairman Collins.

The CHAIRMAN. Thank you very much.

Senator Sinema?

Senator SINEMA. Thank you to our Chair and our Ranking Member for today's hearing on protecting our Nation's veterans from criminal fraudsters.

Arizona has a long and proud tradition to military service. One in ten Arizona adults is a veteran, and more than half of our veterans are age 65 or older. These men and women safeguarded our freedoms, and we owe them a deep debt of gratitude.

It is horrible that scammers deliberately target veterans for their pension or their benefits or take advantage of their desire to contribute to charities that serve their fellow veterans.

A story from Arizona, Jack Holder, he is a World War II veteran, and he is a resident of Sun Lakes, Arizona. He survived the attack on Pearl Harbor, and he fought in aerial combat overseas. In 2016, he was targeted by criminal fraudsters in a sweepstake scam, and it robbed him of \$43,000. That was nearly his entire life savings.

Jack survived Pearl Harbor and watched his wife of nearly 70 years succumb to Alzheimer's disease, but he describes realizing when he had been a victim of a scam as the worst day of his life. He shares his story, despite the embarrassment he feels, because he does not want this happening to anyone else, and that is why I have made it my mission to protect Arizonans from financial crimes.

Last year, I was proud to work with Chairman Collins to pass the Senior Safe Act into law, which empowers financial institutions to report suspected instances of elder financial abuse and fraud, and this year, we have continued our work by introducing the Senior Security Act, which would create a task force at the Securities and Exchange Commission to protect seniors from financial crimes, and the Anti-Spoofing Penalties Modernization Act, which would increase penalties for criminals who use robocalls to harass seniors and veterans.

There is still so much work to be done, and that leads me to my first question, which is for Inspector Harris and DA Richardson. Earlier this year, in this Committee, I shared the story of Maggie, whose elderly parents in Tucson were robbed of their life savings in a sweepstake scam. Maggie's father is a 20-year veteran of the United States Air Force living with Alzheimer's, and their family lost much of what they had saved from his military pension.

In cases like Maggie's family and Jack's, are there ways to help people financially recover after they have been robbed? Can they get help through their military pension, requiring restitution from the criminals, the Tax Code? If there are not ways for them to get restitution, what barriers prevent veterans from getting some of their life savings back?

Mr. RICHARDSON. Thank you for the question, Senator.

From the criminal standpoint, one of the barriers is that being able to locate and try to secure those assets. In many instances, these criminals are spending it just as they get it.

In my case, Palasini did this over a period of years, and from the investigation, as she continued to defraud different victims, some of them, she used that money to pay benefits that she told other victims that they would receive month to month, and so she would have spent that money but then had to scam others in order to pay Paul when she had stolen from him.

If there is an avenue to allow prosecutors to tie into resources of that defendant and be able to—they are required to make payment, but oftentimes what we look into or what we find is that it is over a period of time, and instead of a nominal fee and that family's loss, thousands and millions of dollars.

Mr. HARRIS. I would echo the same sentiments. The challenge we face in some of the investigations we conduct is that they have been burning through, in a typical Ponzi scheme, where they have spent what they had from before.

Sometimes getting assets to recover, they just do not exist. They have already been expended or distributed, so in those cases, it is challenging.

One thing I do feel compelled to share is through AARP's Fraud Watch Network, families can reach out, and they can get a live person that can help them navigate these difficult circumstances. If they think they have a loved one who is being victimized, they can get help. They can get a live person, and many of the people that work these lines had been involved in a scam or a scheme before. They have a deep passion. They are not judgmental, and they can help people. They can determine resources. They can help determine which Federal law enforcement agencies to refer to, and they

can help with level setting a financial status to get someone back on track in life.

Senator SINEMA. Thank you.

Thank you, Chairman.

The CHAIRMAN. Thank you.

Senator Gillibrand, perfect timing there.

Senator GILLIBRAND. Lucky timing.

Thank you, Madam Chairwoman and Mr. Ranking Member.

Mr. Richardson, thank you for your important work to prosecute these scammers and to bring justice to these victims of financial fraud.

We know from your testimony how these scammers like to take their schemes across State lines, so they are harder to track down.

Do you think we could be facilitating more coordination between investigation and enforcement agencies?

Mr. RICHARDSON. Yes, definitely so. As I tell everyone that I work with, there is always more that we can do.

In this particular instance, I received calls from other agencies that were conducting other investigations later on down the line.

Senator GILLIBRAND. Yes.

Mr. RICHARDSON. When my office was first contacted about the Ward case, Palasini had already been doing this for a number of years throughout the State of Mississippi, and because there was no communication or there is no way for me to know in northern Mississippi what is happening in southern Mississippi, then there is no way to bring awareness to my victims—

Senator GILLIBRAND. Right.

Mr. RICHARDSON [continuing]. or to hold her accountable.

Senator GILLIBRAND. Do you think we could centralize some services, like a national data base, to help law enforcement and prosecutors bring these financial fraud cases to justice? Do you think we should put resources and organization behind that?

Mr. RICHARDSON. I would definitely think—Senator, thank you for the question. I would definitely think that resources to provide awareness or to provide a centralized location for agencies, whether it is providing more funding to one particular agency, to provide that source, because what we find is that the numbers are not going to stop.

Senator GILLIBRAND. Right.

Mr. RICHARDSON. If there is not communication between States, between local agencies within a State, then there is no way to stop those individuals because, in this instance, once Palasini was caught in Mississippi and had been in jail and knew the convictions were coming, she moved to California.

Senator GILLIBRAND. Right.

Mr. RICHARDSON. It was only through the Postal Service that California stopped some of those.

Senator GILLIBRAND. Mr. Harris, you have done great work with Operation Protect Veterans to raise awareness, investigate these horrible scams. As a veteran and Marine Corps reservist yourself, you know how to communicate effectively about this complicated issue, but could you use some help? Do you think the Federal Government, like the FTC, could be doing more to listen to experts like

you and to disseminate information regarding mail, telemarketing, and internet fraud that target older Americans?

Mr. HARRIS. Thank you for the question, Senator.

I will always welcome help. Our organization seeks to partner actively. We have worked well with the FTC and other Federal entities in the past, and we will continue to do so to the best of our ability.

We believe in sharing information, de-conflicting cases, using a whole-of-Government approach to bring the full bear of Federal law enforcement in cooperation with State and local to get the best impact and find all the facts.

Senator GILLIBRAND. What else can Congress and the U.S. Government do to verify legitimate veterans' charity organizations against fraudulent loans? What role should the Federal Government play to ensure that the credibility of a veteran's charity organization is maintained, and that individuals who want to contribute or to volunteer at these organizations can do so with full confidence that they are not being scammed?

Mr. HARRIS. I am aware of the Department of Veterans Affairs' list they maintain to determine what is a good charitable organization that can support veterans. I do not know how they adjudicate that list, but I welcome support being given to them as subject-matter experts in the arena to make sure that anyone who is interacting with a veteran is not doing so with a nefarious purpose.

Senator GILLIBRAND. Thank you.

Mr. Wells, thank you for coming to share your important story about how to identify and prevent these scams before they happen.

Does the Federal Government need to step up and do more to provide resources to organizations like Vet2Vet to carry out fraud prevention activities designed to protect older Americans?

Mr. WELLS. Absolutely. Vet2Vet in its current form has just gotten a 503 status. It is fun by one full-time and one part-time staffer, and then they manage and organize 60 volunteers and they have 100 interactions. That is a drop in the bucket for how many veterans that are in just the State of Maine and as we talked about in other States. I think that Federal, State, anybody who has the funding, the ability, the resources could make that more robust.

Senator GILLIBRAND. I was very moved by Mr. Foreman's story.

Mr. Richardson, what are the experiences of victims after a scam, and what options do they have for justice? Could a victim be able to get their money back? Who can they turn to for help?

Mr. RICHARDSON. Well, in every instance, they need to report it to law enforcement, but the question of whether or not they get their money back, it is a sad conversation to have, but in each and every one that I have had, whether it is my victim or victims in others cases, the same case throughout the State, they knew they were not going to get the money back. The harsh reality is that I could not find the words to say "It is not going to happen. You will not." If they can get some sense of justice—and the victims that I have spoken with after the case is over, what many of them wanted was to receive some of their family's benefits back because, in each and every instance, the family lost everything, and they knew they were not going to get it back.

The CHAIRMAN. Thank you.

Senator Rosen?

SENATOR ROSEN. Thank you, Madam Chair and Ranking Member, for always bringing such thoughtful hearings here. I really appreciate the work all of you are doing, and I am so sorry that you were a victim. I am thankful that you are here to illuminate this issue for others.

I represent the great State of Nevada, and we are home to over 220,000 veterans and nearly 20,000 servicemembers. According to Nevada's Attorney General's office, the most common scams affecting our servicemembers, the people we are speaking about, this fraudulent mortgage relief forms, high interest military loan scams, and identity theft.

In fact, it is such a problem, Nevada is one of the top three States in the Nation per capita of reported identity theft.

Veterans in my State who experience scams or fraud, they can turn to our Attorney General's Office of Military Legal Assistance, which provide them free legal assistance and representation, and the OMLA, as it is referred to, is doing excellent work to try to protect our veterans who have sacrificed, like you all, to protect us.

In my State, we also have the Nevada Senior Medicare Patrol program. It routinely has a presence at community events and health fairs, geared toward veterans. For example, we have just had our third annual veterans extravaganza in Pahrump, and these happen all over the country. They are filled with all kinds of information for veterans. The hardworking volunteers for SMP, they try to educate and empower older veterans about Medicare, Medicaid, fraud, best practices, so on and so forth.

Mr. Wells, would you please talk about the training that your volunteers at the Vet2Vet in Maine get in order to help them identify and target these scams, so when they are out at the community events that happen all across the Country, they are more able to discuss this?

Mr. WELLS. Yes. Part of what we are given training on was just how to identify personal information, PII, and just the general sort of rules of do not give out your Social Security number. Be wary about anybody that is asking you to open checking accounts or give checks for services or credit card numbers and so forth.

We were also giving awareness of the legitimate programs that do exist that can provide benefits and how to identify what those programs are and what the need is, and I think that is a really important part, that if somebody knows that there is an organization that can fill your need and can direct you toward them, it is an established vetted organization, it has been around, that is going to curb a lot of the, at least in my case, looking for other organizations or potentially fraudulent organizations.

Senator ROSEN. I think that your organization does a great job, and I hope that we could find a way to package your training and export that to communities across the country, who could really benefit from this.

One of the other questions that I really have also in the training is how do—when senior centers, when churches or synagogues or just community centers have these events for veterans or for seniors, how do they know—how can we help them best vet as organizers, people who are coming and showing up and paying for a

booth at one of these veterans fairs or seniors fairs that, again, happen all across the country? Does anyone have an idea about that? Best practice perhaps?

Mr. WELLS. Yes. I can help a little bit with that. I would say having a centralized data base. I know that there is work that is done at the VA currently.

In our VA in Maine, in Togus, if you were to contact the OIF/OEF coordinators, there is a social worker that is on staff that periodically updates her list and the brochure list of active organizations that she has had contact with, that she knows about, that she has made referrals to, and can say as a matter of fact that this veteran organization, charitable organization does the work, does good work or bad work, and can give you some insight on that. That is just a single office and a single entity.

Senator ROSEN. I wonder if we need something like the Better Business Bureau, one of those things, that these are the certified places, if you are going to plan to have an event, like I said, at your church or community center or senior center, these are the ones that get the stamp of approval, and maybe there is a central way that we could check across the country to avoid people being targeted right in their home area.

Thank you.

The CHAIRMAN. Thank you, Senator. I think you bring up a very good point. If you go to a fair of veterans services and see a booth there, you are going to assume that someone screened it, that it is legitimate, and with all the sound-alike charities and all the needs out there and the generosity that people feel toward the veterans population and veterans toward one another, it is very easy to see how these scams succeed. I think your point is a good one.

DA Richardson, I want to ask you my final question of this hearing. First of all, you deserve great praise and credit for putting the notorious con artist Tammi Palasini behind bars. That was a great win. I know you had to deal with California as well, and it was a complex case. I am grateful to you and your office manager for not giving up and for the critical role that you played in tracking her down and bring her to justice.

It is discouraging to know that none of the victims have been repaid any significant restitution, and many of them lost their family's entire life savings to this total unscrupulous individual.

I am also concerned to learn that it could be that Ms. Palasini will be released as early as June of next year, having served only a fraction of the 20 years that she was sentenced both with the State and Federal charges against her, which run concurrently.

That makes me wonder whether we need to look at then punishments and penalties for this kind of fraud. Do you have any advice for us?

Mr. RICHARDSON. I would, and I do. Thank you, Chairman Collins.

In this Palasini case, if you look at it, yes, she was sentenced to 20 years to serve on three different counties in Mississippi, one county 10 years, one county 7 years, my county 3 years, all to run consecutive. I wanted to make sure when she was convicted that our sentence was the last one, that our sentence ran after the rest

of them, because we noticed the magnitude of the crimes that she committed against our elderly and our veterans.

The harsh reality is that in Mississippi for a nonviolent offense, you are only required to serve 25 percent of your time, and you can also receive other trustee status to get time knocked off.

For our victims, that is what they are angriest about. I have talked to the Tolands lately, last week. I have talked to the Wards. They cannot imagine how is it that she is getting paroled after what she has done, and she has not paid us a cent.

In the case in Wayne County, there was a Baptist minister who had practiced for 25 years, Brother Wright. In working on our Ward's case, we noticed through Facebook, and we found communications about the Wright family, and their Facebook page Brother Bobby Wright, be his voice. In that case, Palasini also took not only his but his brother-in-law's entire life savings.

In that instance, that is the only case that I have seen that she has paid any restitution, and that is because she paid an initial sum of \$20,000 when she pled guilty and was ordered ultimately to pay \$229,000 in total, so she still owed a debt of \$209,000. That, they will never see.

He is currently in a nursing home, suffering from Alzheimer's, and what can be done and what should be done is that in Mississippi and on the Federal level, I do not know if it is the case, but there is enhanced punishments for crimes against the elderly, but that is only on violent offenses. What I would recommend and what I would support is that if there is some type of enhancement to crimes when you are dealing with elderly victims in call cases or you are dealing with veterans in all cases—and maybe there is some type of mandatory sentencing when you are looking at the financial burden that is imposed on those victims, and maybe there is a graduated scale, because in this instance, over \$2.5 million was totally ordered in restitution. I can assure you that there is still victims out there.

If we put out a public service notice and ask for anyone to call us about any crimes by Gina Palasini, we would find other victims.

If there was something to ensure that she is held accountable or scammers like her are held accountable and not only receive the same penalty as the average person that committed a nonviolent offense, but it is a different problem when you are scamming and you are taking away the life savings of our veterans and our elderly, and so something to hold them accountable.

Thank you.

The CHAIRMAN. Thank you so much for that recommendation. She clearly is a criminal without any conscience at all, and essentially, in some cases, seemed to be running a pyramid scheme.

What is so tragic about this is when the victims are elderly, there is no way for them to recoup that money. They need that money at a very vulnerable time in their lives, such as the gentleman that you mentioned with Alzheimer's who is in a nursing home, so you have long-term care costs, and it just seems to wrong that there is not some sort of consideration or enhanced penalty when the victims are not receiving restitution. They are older Americans, and they have served their Country. It seems that

there should be some sort of additional penalty that the judge would at least have the discretion to impose.

Yes.

Mr. RICHARDSON. What is most disheartening in this case is that Palasini—and as I looked at her status in the Bureau of Prisons, her release date has been moved up a month. Now she has a tentative release date of May 15, 2020.

What is most disheartening is we spent just as much, if not more time, tracking her down and having her brought back to Mississippi and being brought back to justice as she would have probably served in custody. That is not fair to our victims.

The CHAIRMAN. I totally agree with you, and that is a very good summary of what is wrong. Thank you.

Senator Casey?

Senator CASEY. I just want to put something on the record, as we conclude. We made reference to the letter that we are sending to the VA addressed to Hon. Robert Wilke, who is the Secretary of the Veterans Administration. I wanted to put in on the record because it is not something we are doing as a routine matter.

Here is the progression of facts and information. AARP—I think I erroneously said before was the GAO—AARP said nearly “80 percent of veterans have reported being targeted by a scam that is related to their veteran’s status.” That is point number one. Point number two, GAO in this recent report, just in October of this year, made a number of findings, but here is the basis. Here is the crux of the findings. The GAO says the VA receives reports of potential fraud and exploitation, but—and here is the problem—the agency does not centrally collect or analyze the information to, number one, assess the prevalence of the scams, number two, inform outreach efforts, or number three, help law enforcement pursue scammers. GAO sends the findings to the VA. The VA’s response in part was recommending that an alternative approach be pursued that would be a referral process to the Federal Trade Commission.

The reason why virtually every member of the Committee signed our letter to the VA is because we all concluded not good enough, VA. We do not just criticize them on a regular basis, but when the VA responds to a GAO report like that and suggests some other agency should be taking responsibility or the full measure of responsibility for it, we had to send this. We had no choice. We had to send this letter.

Just for the record, here is what we are asking the VA in this letter, not tough questions, but important ones, basically five questions. I will summarize them quickly. number one, has the VA examined the extent to which America’s veterans have been victimized by this type of scam? Number two, how is the VA working with Federal and State agencies and stakeholder groups to protect veterans from financial frauds? Number three, what has the VA done to educate veterans? Very important that they do that. Number four, how will the VA’s proposed approach in response to GAO’s recommendation provide the agency with the ability to assess the prevalence of scams targeting veterans and inform outreach and education efforts? I think a very reasonable question for the VA. Number five, and finally, what plans does the VA have in place to

increase these efforts? What further legislative or regulatory authority does the VA need to do so?

I think very reasonable questions. Now, if the VA comes back to us and says, "You the Congress need to give us more authority," then we should work on that. If they say, "You the Congress need to give us more appropriations," we will work on that. The response to say this is a job for the Federal Trade Commission or some other agency just is not good enough, so that is why they are getting a letter, and we do not always agree on everything around here, but we agree on this.

Madam Chair, thanks for the time for that.

The CHAIRMAN. Thank you very much. You know that I totally agree with you that the VA could do more in this area, just because they are a central point of contact for so many veterans.

I know I said I had asked my last question, but, Mr. Harris, just a very quick one for you. This excellent brochure that the Postal Service Inspection Service has collaborated with AARP on, in addition to being in post office lobbies, is it also at VA clinics and hospitals and CBOCs, community veterans centers?

Mr. HARRIS. Thank you for that question, Chairman Collins. We have been in consultation with the Department of Veterans Affairs in seeking to get distribution through their network. To date, we have not.

The CHAIRMAN. Well, that is something that I can assure you we will followup on because a lot of veterans have contact with the VA and with community-based clinics. This would be a great publication for them to pick up, so thank you for your good work.

I want to thank all of our witnesses for their contributions to our hearing today.

As we have heard, America's veterans are now confronting a newer enemy, and that is relentless criminals. I am not going to call them scammers or con artists. Let us call them what they are. They are criminals who are seeking to steal the life savings from our veterans, from those who have done their part and served our Country, and to profit from their personal information as well.

Sometimes these criminals seek to perpetuate the same scams that we have examined many times, but even more insidious, often-times these criminals are targeting our veterans with the kinds of schemes that we have heard described today. We have learned that there are many ways to fight these schemes that are targeting our veterans. Operation Protect Veterans seeks to prevent scams through education. Vet2Vet in Maine uses comradery between veterans as a way to fight back. Veterans like Mr. Foreman, who are also on the lookout for their fellow veterans, and Inspector Harris as well also play an important role. Of course, there is no substitute for the kind of persistence that DA Richardson and his staff demonstrated in tracking down and prosecuting these criminals.

Like Senator Casey, I want the VA to step up its game as well and assist us in protecting our veterans.

I am very appreciative of your all being here today. Committee members will have until Friday November 15th to submit questions for the record, and I would turn to Senator Casey for any final comments.

Senator CASEY. Chairman Collins, thank you for holding this very, very important hearing today. In my second line of my closing remarks, I crossed out “scammers and con artists” and put “criminals.” I am going to read it as she suggested. The criminals, because that is the right word, the criminals who steal from our veterans are the worst kind. As I said in an earlier interview, the scum of the earth. I do not know what more I can say. There are just so many ways to describe how bad they are.

After a commitment to serve our Country and defend our freedom, veterans should not have to fear answering the phone or being confronted by perpetrators of fraud. No one should, veteran or not.

As I said to LaVerne earlier, I am not a veteran, but I would have sent the \$20, then the \$25 and \$35. I think a lot of people would.

This Committee has consistently worked to combat frauds and scams and will continue to do so, but I am pleased that we held this hearing today ahead of the Veterans Day holiday coming up next week.

The criminals perpetrating these schemes will undoubtedly double down in the coming days, which means those of us trying to prevent them from being successful must also double down, and I hope the VA will do that as well.

I want to thank the Chairman again for her willingness to have this hearing, and thank you to each and every one of our witnesses for being here today, and of course, thank you to our veterans for what they have contributed to our Country. We will say Happy Veterans Day early. Thanks very much.

The CHAIRMAN. As the daughter of a World War II veteran who was wounded twice in the Battle of the Bulge, this is an issue that matters greatly to me as well, and I am sure we will continue our efforts to combat it, as I know our witnesses will.

Thank you all for being here. This hearing is now adjourned.

[Whereupon, at 11:23 a.m., the Committee was adjourned.]

APPENDIX

Prepared Witness Statements

Ben Wells

Testimony before the

United States Senate Special Committee on Aging

November 6, 2019

My name is Ben Wells. I am an Air Force veteran that served as an Airborne Linguist supporting Operation Enduring Freedom. While volunteering with elderly veterans through a program now known as Vet2Vet Maine, I was able to recognize a scam and prevented an elderly veteran from becoming a victim.

It is well known that Maine has one of the oldest populations in the country. The veterans of the state are no exception. As they age, veterans often become isolated. Further, a significant number of these veterans are not receiving assistance or services that they are entitled to. The Vet to Vet Maine program matches veteran volunteers with other veterans who need a friend and/or mentor. The program offers support, companionship, and a link to services to lonely and socially isolated veterans. Volunteers are given training on the various state and federal benefits program available to veterans. The volunteers at Vet to Vet earn the trust of these isolated veterans and often help guide them through the process of securing their benefits.

I became involved in Vet to Vet as a way to continue my service to my fellow veterans while I applied for doctoral programs. I had personally seen the struggle with reintegration following combat while still in college and prior to my own enlistment. Many of my friends and family returned from service changed in a way they couldn't articulate to friends and family. I saw a disconnect between their experience and my academic understanding of psychology. I

decided to enlist in the Air Force in order to gain my own understanding with the intent that I would someday help. Therefore, Vet to Vet was a natural continuation of that goal.

I found Vet to Vet through a simple internet search of volunteer organizations for veterans. What grabbed my attention was the idea that I could provide some companionship through my shared experience as a service member. Secondary to that, I saw that they trained their volunteers to help veterans get assistance. The training they offered covered the state and local programs for veterans and the elderly. We received information on available programs and how to refer our veterans for a broad range of services. These included legal assistance, financial advising, help with emergency funds for food or heating oil, case management, mental health, medical care, recreational activities, and many others. This training allowed me to recognize a need and make an appropriate referral. We were also offered the opportunity to attend case reviews where we could talk about our experiences and get further information if needed.

After being trained, it was a short time before I was assigned a veteran. He was also an Air Force veteran in his 80s who had served in the Korean war as an aircraft mechanic. In the beginning, I would stop by his house once a week and talk with him and his wife. They would ask me questions about my service and education, and he would tell me stories of working on jets in Korea. I would take him to lunch, and he would often tell me the same stories about his childhood, time in the service, and why ketchup was bad for diabetes. At the time I met him he was in declining physical health, had chronic pain, and diabetes. He needed many assistive devices like walkers and a power recliner. His wife was his primary caretaker and they rented a small duplex. His wife was the one that initiated the contact with Vet to Vet while looking for caretaker respite and financial help.

Over the course of a few months, I became aware the veteran had never enrolled in VA health care. He had been reliant on his pension from a career working as a lineman for a telephone company. He and his wife were using their fixed income of pension and social security to pay for his growing list of medications. They spent hundreds of dollars on medication alone. My first order of business became getting them in contact with the VA and enrolling them in VA health care. During that process, they became aware of several benefits available to veterans. However, the paperwork was slow to go through and my veteran's wife continued looking for in-home and respite services.

It was her search for services that had put her in contact with the scam. She had seen an ad placed in a newsletter that advertised free in-home care for veterans. She reached out to the organization that set up a meeting. Feeling like she needed assistance from a trusted person, she reached out to me and asked that I be present at this meeting.

Two men arrived at my veteran's house with information about all the services they were able to provide. They pitched in-home care and respite that would be covered by the VA Aid and Attendance benefit. What they proposed is that my veteran first set up a separate checking account, for the VA pension and Aid and Attendance money, that their organization could directly access. Once the veteran started receiving the money from those benefits, the organization would simply deduct the money from the account to pay for their services. This was my first indication that they were attempting to scam my veteran. I started to ask more questions regarding the rationale for having a separate checking account instead of a more conventional payment method. What they stated is that this would make it easier for the veteran and his wife to track the payments. They emphasized the importance of tracking the payments

because it was critical to receiving benefits from the VA. What they described next solidified that they were not a legitimate organization.

As previously mentioned, my veteran had a very modest income from social security and his phone company pension. However, this put him and his wife above the means test for qualifying for a VA pension and therefore Aid and Attendance. According to the scammers, there was a way to circumvent the means test. They stated that the income calculation was based on income after out of pocket medical expenses. In this case, the out of pocket medical expenses were my veteran's insulin medication and co-pays. They did some rough math with my veteran's wife, but it was unlikely that my veteran would be eligible. Undeterred, the scammers began explaining how they previously helped several other veterans gain a VA pension. They suggested that my veteran begin "paying" his daughter to help with his medical care. My veteran would pay his daughter for services like picking up medication or driving him to an appointment. I put paying in quotation marks because it was made clear to my veteran that he would not actually be giving his daughter any money. In doing so, he would then be able to pass a means test and qualify for Aid and Attendance. It was this dubious accounting that made me certain I was not dealing with a legitimate organization.

When they left, my veteran was very excited at the news he would have help for his wife. I immediately raised my concerns about the separate checking account versus simply writing a check. I further raised the concern that what the organization was suggesting could possibly be regarded as defrauding the VA. Largely due to the trust I built, my veteran's wife decided not to go forward with the service. I immediately contacted the Vet to Vet program and told them what happened.

There was thankfully no long-term financial impact on the veteran or his family from this scam. I can say that I saw him, and his wife emotionally devastated once I voiced my concern. Remember that he was losing his ability to caretake and ambulate while she, also in her 80s, was his only caretaker. Although I am glad that they did not expose themselves to fraud, it infuriates me that people would falsely offer hope to vulnerable veterans.

Prior to this event, I was very aware and vigilant of scams. Having been trained in intelligence I was possibly more vigilant than some. However, being aware that scams exist is different than directly encountering one. For me, it taught me the valuable lesson of what is at stake. Knowing that scams exist is different from seeing how an 80-year-old veteran could be taken advantage of. It left me with the impression that more can be and should be done. My primary take away was that the trust I built with my veteran was the key ingredient in stopping the scam from being carried out. I also concluded that scams are perpetrated on vulnerable people for a reason. My limited knowledge of consumer protection is that it is a buyer-beware scenario. Individuals must be vigilant so that they are not tricked into having their bank accounts drained. This, to me, seems entirely unacceptable. The idea that anyone could keep themselves completely safe from a scam is a broken proposition. It is predicated on not only access to information about scams but the luxury of not being in immediate need of services. No consumer is going to be able to stay ahead of scammers.

When thinking about how the problem can be solved, I first thought of awareness. If we could raise awareness of the existence of these types of scams, they would be less effective. Thinking back to my training, though, often by the time you establish the existence of a threat and disseminate that information, the threat has changed or moved on. I imagine by the time a scam is reported and documented, the scammers could have easily changed tactics or locale. If

we relied on prosecuting all scammers, it seems likely that it would become a game of whack-a-mole. One group gets caught and another will rise in its absence. This idea had me shift my focus to prediction and prevention. In the case of my veteran, had he been receiving in-home care, a VA pension, Aid and Attendance, or had more resources, his wife would have never contacted the scammers. I then think about why he was never enrolled in the VA in the first place. The answer is that he spent 60 years believing that he did not qualify as a “veteran” because he never saw combat. He also expressed that he did not want to be thought of as getting handouts because he worked his whole life. These sentiments are sadly not uncommon amongst veterans, either that they do not qualify for benefits or that they do not want to be considered a drain on the system.

What we can collectively learn from this incident is that there needs to be more protection of veterans. I believe that if in-home workers, volunteers, and health care workers had higher awareness they could push the information to these veterans. My veteran did not use email or social media. However, he was a daily consumer of network news and television. He also frequently went to his primary care doctor and saw me twice a month. It is through these networks that we as a country could raise awareness regarding scams in general. If there were more trained volunteers, or a way to quickly verify the legitimacy of a business, it would go a long way to eliminating scams. I don’t believe we can contain or get rid of every scam that exists. However, with preventative measures, we can hopefully safeguard the most vulnerable among us.

**Written Testimony of LaVerne Foreman
Veteran Scams: Protecting Those Who Protected Us
United States Special Committee on Aging
November 6, 2019**

Chairman Collins, Ranking Member Casey, Members of the Committee, thank you for inviting me to testify at this hearing. It is an honor to be before you today to talk about veteran scams.

My name is LaVerne Foreman. I am 82 years old and I live in Herndon, Pennsylvania. I am retired from the Civil Service and the Military with service in the U.S. Air Force, Army Reserve, and Army National Guard. I am proud to be a veteran. For the most part, people thank me for my service. It never occurred to me that someone could be so cold-hearted to make calls and claim to be caring for veterans, when in reality they were lining their own pockets. And five years ago, I learned just how reckless they can be.

When I received a phone call from Senator Casey's office inviting me to testify before you today, I was pleased to accept the invitation and share with you what happened. It isn't easy to talk about being scammed, but what I am doing today is an extension of my service. I feel a sense of responsibility to warn others who served to be vigilant against scam artists.

Let me explain. In September of 2014, I received a call from the Disabled and Paralyzed Veterans Fund, or DPVF, requesting a donation. I was told that the organization was dedicated to helping disabled and paralyzed American veterans, and raised funds to support VA hospitals and end veteran homelessness. I have donated to similar veterans organizations in the past because of my concern for and sensitivity to my peers.

I pledged to send a one-time donation to DPVF of \$20. However, the amount on the pledge letter that the organization sent was for a few dollars more than what I promised, specifically \$25. I thought this was odd. However, rather than arguing with them, I simply sent them a check for the amount they listed.

The following year, which was 2015, DPVF called me again to request a donation. I pledged to give the amount that I had given the previous year. Again when I received the pledge letter, it was for a few more dollars than I had pledged on the phone, this time \$35. I grew even more suspicious, but believed it might have just been fundraising tactics of a legitimate organization. I tried to call the Washington, D.C. office of DPVF to contest this amount but could not get through to anyone. I wrote a letter to explain that I had agreed to a lower amount and that I questioned their approach. I enclosed a check with the higher amount,

\$35, and asked them to remove my name from their contact list. I didn't hear from them ever again.

In February 2016, when I reviewed my credit union account monthly statement, I noticed a check listed with a number that is not within my check number sequence. I thought this was strange and quickly called my credit union. They indicated that the check was made payable to Disabled and Paralyzed Veterans Fund in the amount that I'd sent the previous year. This means the organization used my account number and bank routing information listed on the previous checks I had sent them.

I was shocked. I had not spoken to that organization or sent a recent donation. I realized that I was scammed. There are legitimate veteran service organizations (VSOs), the Paralyzed Veterans of America and the Disabled American Veterans, but I soon realized that there is no organization with the name "Disabled and Paralyzed Veterans Fund."

I reported what happened to the Pennsylvania Attorney General's office and was later contacted by the U.S. Postal Inspection Service who asked me for additional information. I was glad to hear that there was an investigation of this organization and that there will be some action to hold the scammers accountable.

I know that I am one of the lucky ones. I did not give the scammers very much money and I noticed the fraudulent check immediately. But, I know that not everyone is as lucky.

These phony organizations and people who steal money by pretending to help veterans must be stopped. I never believed that anyone would stoop so low as to steal money and benefits from veterans. These scam artists rip-off innocent people, and as a result, contributions are diverted away from the organizations actually doing the work of caring for those who served and who are now in need.

My loss may seem small, but I am certain that these scammers have targeted thousands, if not millions, more people. The total sum of their bounty probably far exceeds anything that I could ever earn in a lifetime. And, that is wrong. On behalf of veterans, I ask everyone who can help to stop this activity to play their part.

Thank you again for inviting me to testify here today. I hope that by sharing my story, I can help someone from losing money to these types of scammers.



Office of the
DISTRICT ATTORNEY
FOURTH DISTRICT



*Written Testimony of W. Dewayne Richardson, District Attorney
Fourth Judicial District of Mississippi, Serving Washington, Sunflower and Leflore Counties*

RE: Criminal Prosecution and Investigation of Crimes Against the Elderly by Gina A/K/A Tammi Palasini

November 6, 2019

Chairman Collins, Ranking Member Casey, and members of the Committee, I am District Attorney W. Dewayne Richardson, and I serve the Fourth Judicial District of Mississippi. Thank you for the opportunity to testify before this Committee about our investigation and prosecution of crimes committed by Gina A/K/A Tammi Palasini.

My office first became aware of Palasini's actions due to a single bad check. This check led to the unraveling of a fraud that amounted to millions of dollars stolen from the elderly, veterans and their families.

In 2011, Palasini was introduced to 89 year old Grace Ward and her family through staff at the nursing home where she was a resident. Palasini promised the Ward family that she would provide a ten percent return on their investment, along with securing Medicaid benefits for Grace Ward which would be used to assist in paying the nursing home expenses. With that promise, the Ward family provided Palasini with a cashier's check for Grace Ward's life savings of \$189,000.00.

When Grace Ward passed away three months later, the family contacted Palasini, who assured them that she would repay their money plus interest. After many false promises and excuses, Palasini had a check hand delivered to the Ward family on September 30, 2011 in the amount of \$192,000.00. This payment included the initial investment plus \$3000.00 in interest. It was at this moment in 2011 that Palasini committed the crime of Check Fraud.

Roy Ward, Grace's son, contacted my office about this matter as Palasini's business, Veteran's Pension Planners, had an address located within my jurisdiction. After learning the depth of Palasini's crimes against the Ward family, my office manager, Tamicko Fair, became determined to do everything possible to make this family whole and recoup their funds.

My office's investigation into Palasini would last almost five years. She was tracked down after being listed in the Riverside County Mental Health Board's monthly meeting minutes and

agenda operating in Riverside, California, under the name Senior Benefits Consulting Group Benefits Board.

With the assistance of Hugh McClendon with the U.S. Marshals Service, Palasini was arrested and extradited to Mississippi on our warrant. It was during this same time in September of 2014 that we began to get calls from other families from across the state who had been victimized by Palasini. In addition to speaking with those victims, we also learned of a federal investigation being conducted by Kyle Parker, a U.S. Postal Inspector.

One additional victim, included World War II Air Force Veteran, Johnnie Ray Toland. As Mr. Toland grew older and began to show signs of Alzheimer's, his children Cynde Moree and Jimmy Toland, began to look for assisted living locations. Staff members at one of those locations introduced the family to Palasini in 2011.

The Tolands were made the same fraudulent promises as the Wards, and Palasini was able to convince them to hand over control of \$340,000.00. Palasini guaranteed that Mr. Toland would receive Veteran's benefits, as well as a return on their investment.

Johnnie Ray Toland went on to live for three more years. It was not until his passing that Jimmy Toland learned of Palasini's fraudulent scheme. On the same day of Johnnie Ray Toland's funeral, his son received a phone call from a Postal Inspector notifying him of Palasini's fraudulent activity. The Toland family learned from the Inspector that on the day she received control of their money, Palasini promptly spent the funds on a race car and advertising for her son.

Ultimately, Palasini was charged not only in my jurisdiction, but also in Wayne and Pike counties in Mississippi. Palasini was sentenced in December of 2014 to ten years in prison and ordered to repay \$229,489.00 for defrauding the families of Brother Bobby and Ethel Wright and their relative Curtis Graham in Wayne County. She was later sentenced to seven years in prison on the Pike County charge and ordered to repay \$87,900.00 for defrauding the J.E. Ethridge family. For the crimes that she committed against the Ward family in Sunflower County, Palasini was sentenced to three years in prison, the statutory maximum sentence, to be served consecutive to the sentences in Wayne and Pike counties in 2016.

Palasini was also charged in a nineteen count federal indictment in 2015. She later pled guilty to the first count, a crime that alleged fraud. She was sentenced to serve 53 months in custody with this time to run concurrent with her convictions in State court. Ultimately, Palasini was ordered to repay her 17 victims a total of \$2,043,702.70.

After speaking to the victims of Palasini, words cannot express the level of devastation she imposed on their lives. All of her victims were elderly citizens, some of whom were veterans. Palasini robbed many of them of their entire life savings.

For the Ward family, Palasini's crimes imposed a severe financial hardship. I learned that Grace Ward's one desire as she grew older was to ensure that her family was cared for financially after her death. Rather than receive any inheritance from his mother, Roy Ward, a 76 year old retired

farmer, is dependent now only on his monthly Social Security benefit to support himself and his family. The family also never received the promised Medicaid benefits.

In total, Palasini was ordered to pay restitution to her victims in excess of \$2.5 million. In the Ward's case she has not paid one cent in restitution. To date, she has paid only \$50 towards a \$100 mandatory assessment to the United States District Court.

A well-respected prosecutor in Mississippi has often said that it is our duty to care for our widows, orphans, and our elderly. What began as a complaint for a Felony Worthless Check has brought awareness to a greater problem in our society.

Victims described Palasini as smart, connected, and ultimately a very conniving individual. Palasini found her victims at the very institutions that should have cared for and protected them. When she presented them her proposals, she came to the meetings with all the right credentials and connections to achieve the results that her victims desired; however, in the end, all she left each family with was an empty bank account and broken promises.

Thank you for the opportunity to speak before the Committee today. I look forward to answering any questions you may have.



UNITED STATES POSTAL INSPECTION SERVICE
COMMUNICATIONS, GOVERNANCE AND STRATEGY

Written Statement of Carroll Harris
Acting Inspector in Charge, Communications, Governance and Strategy Group
United States Postal Inspection Service
Before the Senate Special Committee on Aging
United States Senate
November 6, 2019

Good morning, Chairman Collins, Ranking Member Casey, and members of the Committee. Thank you for holding this hearing on protecting veterans. I appreciate the opportunity to testify before this Committee on the efforts of the United States Postal Inspection Service (Inspection Service) to combat frauds that impact veterans.

My name is Carroll Harris. I am the acting Inspector in Charge overseeing Communications, Governance and Strategy within the U.S. Postal Inspection Service, the law enforcement, crime prevention and security arm of the United States Postal Service. The U.S. Postal Service is committed to protecting veterans from scammers. About 113,000 current postal employees served in the military, which is about one in five postal employees. That makes the Postal Service one of the largest employers of former service members.

I have over 29 years of government service, 14 of those as a federal agent. I started my career in government with the United States Marine Corps, where I served more than ten years of active duty, including combat duty in Iraq. I am still active in the Marine Corps Reserve in Quantico, Virginia as a Lieutenant Colonel. Prior to becoming a Postal Inspector, I was a federal agent with the Drug Enforcement Administration. I joined the Postal Inspection Service in 2008 and I have worked assignments ranging from mail theft to workplace violence. For the past three years, I have managed the Inspection Service's internal and external communications, press relations, government relations and crime prevention efforts. I hold advanced degrees in both Business Administration and Operations Science.

According to a recent AARP survey¹, 16 percent of U.S. veterans have lost money to fraudsters, as compared to 8 percent of nonveterans. Put another way, veterans are twice as likely to unknowingly participate in a scam as compared to the general population. Examples of frauds older veterans are likely to engage in include lottery and sweepstakes scams, romance scams and investment schemes. Postal Inspectors investigate these types of frauds every day.

In addition to the more common schemes that older adults are likely to encounter, veterans report that they are targeted by a large number of scams directly related to their military service or the veterans' benefits they receive. Nearly 80 percent of the veterans surveyed reported they have encountered veterans-specific scams. These are scams that have been tailored just to them and include veteran pension buy-outs, fake veteran charities, and schemes that offer "special" access to veteran benefits.

One such scheme investigated by Postal Inspectors involved Gina Palasini. Palasini cast herself as an adviser who could help older veterans "boost" their pensions. She convinced

her clients to invest in financial products that she controlled in order to minimize the appearance of her client's assets so the veteran could qualify for more government assistance. She and advisers like her often fail to warn veterans that actions like these could disqualify the veteran from other government help, including Medicaid, and strictly limit their access to their own money. Palasini never invested the money her clients entrusted to her. She simply took their money and spent it on herself—that is, of course, until she landed in jail after an investigation by the Inspection Service and its law enforcement partners. District Attorney Richardson, seated here with me today, played an instrumental role in ensuring Ms. Palasini faced the justice she deserved.

In instances like these, Postal Inspectors recommend that veterans contact a veteran service organization for help locating a reliable, credentialed adviser who can help them ensure they are receiving all the benefits they qualify for. That way, veterans can feel confident they are entrusting the benefits they have earned with a reputable and reliable financial advisor.

Another finding from the AARP survey found that veterans who participated in scams were more likely to have had a "negative life event," such as having suffered a serious injury or illness, struggled with mental health or addiction issues, or accumulated a significant amount of debt. Veterans also experience post-traumatic stress at a rate more than double the general public.

The AARP survey explored other ways in which veteran scam victims differ from the general public. Veteran scam victims say they are more likely to trust a person who has previously served in the military, and they are more likely to donate to charities that support service members and veterans. These are known as "affinity" scams. People who operate affinity schemes know that patriotism is a powerful window into a veteran's heart and wallet.

In one such affinity scheme, Postal Inspectors investigated a fake charity calling itself The Disabled and Paralyzed Veterans Foundation. This so-called "Foundation" sent consumers solicitations that led them to believe that donations would be used to help veterans at risk for suicide. The operators of the scheme collected tens of thousands of dollars for this and other fraudulent organizations that, in addition to claiming to help veterans, also purported to help breast cancer and childhood leukemia patients. Laverne Foreman, another witness here today, received one of these solicitations in the mail. He believed his money would aid veterans who had suffered significant injuries. His donation and the donations of other well-intentioned people never went towards helping anyone but the scammers who have been referred to the Department of Justice for prosecution. Whenever individuals want to contribute to unfamiliar charities, the Inspection Service recommends ensuring that the charity is legitimate by checking online with the [Better Business Bureau Wise Giving Alliance](#), [Charity Navigator](#) or [CharityWatch](#).

In 2017, AARP and the Inspection Service launched *Operation Protect Veterans*, a national campaign to warn those who have served in the military about scams and fraud schemes that specifically target veterans. Since the operation launched, AARP and the Inspection Service have been working together to warn veterans and their families to be on the lookout for some of the most common schemes, including:

- The benefits buyout offer: This scheme takes advantage of veterans in need by offering a quick upfront buyout in exchange for future disability or pension payments. The veteran gets quick cash now but at a value far less than they would have received from their pension over time.
- The fake charitable giving request: Scammers make fraudulent claims about charities benefitting veterans or wounded service members.
- Fraudulent records offer: In this scam, veterans are told that the scammer can access their military records or government forms – for a fee. However, this information is available for *free* through local U.S. Department of Veterans Affairs (VA) offices.
- The VA phishing scam: A scammer claiming to work for the VA calls veterans and asks for Social Security numbers and personal financial information.
- The bogus employment scam: Scammers collect personal information or charge a fee for obtaining a job that does not exist.

To raise awareness, *Operation Protect Veterans* has been using advertising, social media, email messages, brochures and a tailored website, OperationProtectVeterans.com. In a major component of the outreach campaign, printed materials were distributed in more than 30,000 Post Offices across the United States. Printed materials were also distributed in AARP's state offices, as well as to thousands of libraries and senior centers. When the operation launched in Washington DC, volunteers from the Inspection Service and AARP staged a reverse boiler room—a tactic that uses one of the scammers' own methods against them, and called veterans nationwide with news of the latest scams aimed at the military community and how to protect themselves. In a single day, Postal Inspectors and AARP volunteers made 10,000 calls to former members of the military.

When Postal Inspectors are asked how older consumers can stay safe financially, we tell them: Just remember to "stop and talk." If you receive a request to invest money, pay a fee before you collect a prize, or send money to someone you have only known online, find a friend before you reach for your wallet.

In the military, we refer to this person as a foxhole buddy. We like to say "I've got your six." Think of the hands of the clock facing forward at twelve and backward at six, "I've got your six" is like saying "I've got your back." When I was in a foxhole, my buddy was the person I trusted to be my eyes when I could not see, and I did the same for him. My foxhole buddy—literally—was up when I was down; and when he was down, I was up.

People who operate fraud schemes are successful because they are persuasive and because they convince their targets to "keep it a secret." Why? Because scams only work when people are isolated from those they know and trust. At any age, but especially after retirement, everyone needs to make sure there is an extra pair of eyes on their financial decisions. Everyone needs someone they can talk to in confidence about their finances, and to confer with as needed. Everyone needs a foxhole buddy. As part of retirement planning, the Inspection Service advises that everyone should find one or two people they can confide in about decisions like these. This applies to everyone, not just veterans.

Former service members can also contact their state's veterans' affairs office for reliable information on qualifying for benefits. The federal government's website, [MilitaryConsumer.gov](https://www.militaryconsumer.gov), has free resources to help veterans and current service members make informed financial decisions. The VA also maintains a database of attorneys, claims agents and Veterans Service Organizations to help with benefits issues.

Our second piece of advice is, if you have spotted a scam: Report it. Whether a veteran has lost money or not, they can report it in several different ways. First is the AARP's *Fraud Watch helpline number: 877-908-3360*. The Helpline is operated by staff and volunteers with extensive training and experience fighting scams. The most important thing these volunteers do is listen, and they listen without judgment.

The AARP Fraud Watch helpline can also help with:

- Actions to take if an individual has lost money.
- Guidance for families concerned that a loved one is unwittingly participating in a sweepstakes, romance or fraudulent investment scam.
- Referrals to law enforcement.
- Translation services.

In addition to calling the AARP's helpline, people can report scams at the Inspection Service's website, [USPIS.gov](https://www.uspis.gov). We share any fraud complaint we receive with the Federal Trade Commission which collects data from more than 300 law enforcement agencies and makes it available to authorized law enforcement agencies and regulators.

Consumers can also report scams to the Senate Special Committee on Aging at 855-303-9470. The Committee staff will ensure the report is referred to the appropriate agency for investigation.

Before I conclude, I want to thank the Committee for its efforts to stop fraudulent phone calls. We know that scams do not just happen over the telephone line, but the ease with which a fraudster can unduly influence others over the phone is unparalleled. Postal Inspectors routinely advise consumers to work with their phone service providers to stop robo- and other unwanted calls. Thank you for helping to stop fraudulent calls from overseas from ringing the phones of the American public in the first place.

I appreciate the opportunity to share with you the work that Postal Inspectors do to safeguard veterans and the American public at large from fraud. Thank you.

¹ Shadel, Doug, and Karla Pak. *Under Fire: Military Veterans and Consumer Fraud*. Washington DC: AARP Research, November 2017. <https://doi.org/10.26419/res.00182.001>