



Consumer Federation of America

1620 I Street, N.W., Suite 200 * Washington, DC 20006

December 16, 2020

Honorable Charles E. Schumer
Minority Leader
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Leader Schumer:

On behalf of Consumer Federation of America (CFA), I am writing to urge you to include the COVID-19 Consumer Protection Act in the omnibus legislation that will soon be considered. This bill would give the Federal Trade Commission (FTC) the tools it needs to stop scammers from taking advantage of people's fears of the pandemic and hopes for help.

Specifically, for the duration of the current public health emergency, the Act would make unfair or deceptive acts or practices associated with the treatment, cure, prevention, mitigation, or diagnosis of COVID-19, or a government benefit related to COVID-19, subject to civil penalties. From January 1-December 15, 2020, the FTC has received 273,229 complaints related to the pandemic, 144,080 of which concerned alleged fraud, and complainants reported losing a total of \$205.91 million, with a median fraud loss of \$327.¹ Normally the FTC can only seek civil penalties if a company violates an order or agreement to refrain from engaging in *further* unfair or deceptive acts or practices, but these are not normal times, and the FTC needs stronger powers to deter wrongdoing. Furthermore, in the economic crisis caused by the pandemic, consumers can ill-afford to lose money to COVID-19 related scams and abuse.

We appreciate the work you are doing to protect and assist Americans in this public health emergency and urge you to incorporate this measure in the omnibus legislation.

Sincerely,

Director of Consumer Protection and Privacy

¹ FTC COVID-19 and Stimulus Reports, Consumer Sentinel Network Reports, accessed on December 16, 2020, at <https://public.tableau.com/profile/federal.trade.commission#!/vizhome/COVID-19andStimulusReports/Map>.