Media Contact:
Will Wiquist, (202) 418-0509
will.wiquist@fcc.gov

For Immediate Release

FCC PROPOSES $82 MILLION FINE FOR SPOOFED ROBOCALLS

Health Insurance Telemarketer Made More Than 21 Million Illegally Spoofed Calls

WASHINGTON, August 3, 2017 – The Federal Communications Commission today proposed an $82,106,000 fine against an individual and his companies which apparently made more than 21 million illegally spoofed robocalls in violation of the Truth in Caller ID Act. The law prohibits callers from deliberately falsifying caller ID information – a practice called “spoofing” – to disguise their identity with the intent to harm, defraud consumers, or wrongfully obtain anything of value.

The FCC found that Best Insurance Contracts and its owner/operator, Mr. Philip Roesel (doing business as Wilmington Insurance Quotes) apparently made millions of illegally spoofed robocalls consumers around the country. Mr. Roesel of Wilmington, North Carolina displayed inaccurate caller ID information when making robocalls in an effort to sell health insurance, which especially targeted vulnerable consumers, including the elderly, the infirm, and low-income families.

In December 2016, a medical paging provider called Spōk complained to Commission staff that robocalling campaigns were disrupting its network. Using information provided by Spōk to connect these calls to Mr. Roesel, the FCC’s Enforcement Bureau subpoenaed Mr. Roesel’s call records from October 2016 through January 2017. Based on these records, FCC investigators verified 82,106 health insurance telemarketing calls made during that time used falsified caller ID information. These calls are the basis for today’s proposed fine.

The Truth in Caller ID Act of 2009 and the Commission’s rules prohibit spoofing with the intent to cause harm, defraud, or wrongfully obtain anything of value. Consumers rely on caller ID information to make decisions about what calls to accept, ignore, or block. Accurate caller ID information is a vital tool that consumers use to protect their privacy, avoid fraud, and ensure peace of mind.

The FCC’s Enforcement Bureau also issued a citation to Best Insurance Contracts and Mr. Roesel, doing business as Wilmington Insurance Quotes, for apparent violations of the Telephone Consumer Protection Act’s robocall limits. Under the Act, the Commission must first provide a warning – in the form of a citation – to TCPA violators if the person or entity in question does not possess a license or authorization issued by the FCC. If those violations continue, they may be subject to additional fines.

The FCC has focused on malicious caller ID spoofing recently. Changes in technology have made it easier and cheaper for scammers to make robocalls and to manipulate caller ID information. To address this consumer problem, the FCC has focused both on enforcement actions like today's and on pursuing policies to help consumers and their service providers block malicious robocalls.

In recent months, the Commission has taken a number of significant enforcement actions related to spoofing and robocalling. It proposed a $120 million fine against an individual who apparently used "neighbor spoofing" while making nearly 100 million robocalls to sell timeshares. It also fined a New Mexico company $2.8 million for providing a robocalling platform which also allowed easy caller ID manipulation.

In separate policy proceedings, the Commission is currently exploring ways to set up a reliable system to verify that a phone call is really coming from the phone number that it claims to be. The agency is also aiming to help consumers prevent spoofing scams like the famous IRS debt scam through a "Do-Not-Originate" list which would help carriers block spoofed calls purporting to be from numbers that do not make calls, like specific in-bound-only phone lines used by entities like the IRS or numbers using non-existent area codes.

Action by the Commission August 3, 2017 by Notice of Apparent Liability for Forfeiture (FCC 17-107). Chairman Pai and Commissioner Clyburn approving. Commissioner O'Rielly approved in part and concurred in part. Chairman Pai and Commissioner Clyburn issuing separate statements.

A copy of today's proposed fine, formally known as a Notice of Apparent Liability for Forfeiture, is available at: https://apps.fcc.gov/edocs_public/attachmatch/FCC-17-107A1.pdf

###

Office of Media Relations: (202) 418-0500
ASL Videophone: 1-844-432-2275
TTY: (888) 835-5322
Twitter: @FCC
www.fcc.gov/office-media-relations