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For Immediate Release

FCC CONTINUES 'SPRING CLEANING' ENFORCMENT INITIATIVE BY REQUIRING VOICE SERVICE PROVIDER TO CEASE ILLEGAL ROBOCALL CAMPAIGN TARGETING STUDENT LOAN HOLDERS

Enforcement Action Aims to Prevent Increased Fraud Following Executive Action Related to Student Loan Debt Relief

WASHINGTON, April 17, 2024—The FCC's Enforcement Bureau today issued a <u>cease-and-desist letter</u> against DigitalIPVoice. The cease-and-desist letter ordered DigitalIPVoice to stop serving as a gateway provider for an apparently illegal robocall campaign originating from overseas and pertaining to student loan assistance programs. The Bureau also warned the company that failure to comply with the requirements outlined in the cease-and-desist letter may result in mandatory blocking by downstream providers of all traffic from DigitalIPVoice. In addition, the Bureau issued a <u>"K4 Public Notice,"</u> notifying all U.S.-based voice service providers that they may be permitted to cease accepting traffic from DigitalIPVoice.

In late 2023, consumers began receiving unsolicited calls from an entity that vaguely identified itself as "graduate support." The calls played a prerecorded message that claimed the recipient was eligible for an "income driven program" but had never completed the supposed "required documents." The message then provided a call back number for a recipient to call and "secure [their] benefits." The Bureau and the Industry Traceback Group traced a number of these calls back to DigitalIPVoice as the gateway provider.

Following the recent announcement of additional student loan debt relief, today's action aims to prevent the use of U.S. communications networks to target and defraud student loan holders. It continues the Enforcement Bureau's "Spring Cleaning" initiative, which the Bureau is coordinating closely with other federal agencies to issue a series of robocall actions against entities harming consumers and eroding trust in the telecommunications infrastructure. Previously, the Bureau took action against illegal robocalls promoting a fake "National Tax Relief Program." The Bureau's focus is on preventing the damage and distress resulting from active scams particularly widespread during the spring season. The perpetrators of illegal robocalls use the springtime calendar to initiate predatory activities seeking to maximize harm to consumers.

FCC Leadership

Chairwoman Jessica Rosenworcel: "Illegal robocalls can put consumers at risk. That is why we continue to work to stop these junk calls, which are especially pernicious when they go after vulnerable individuals, like those trying to manage their student loan debt."

FCC Enforcement Bureau

Chief Loyaan Egal: "We are taking the fight to those that want to defraud and cause harm to American consumers who simply want to determine if they are eligible for student loan debt relief. We want to thank our federal partners at the Department of Education and Consumer Financial Protection Bureau for helping reinforce our 'Spring Cleaning' initiative, and we will be working closely with other agencies throughout the spring to address different illegal robocall campaigns that are harming consumers."

U.S. Department of Education Federal Student Aid

Chief Operating Officer Richard Cordray: "<u>Student loan scammers</u> seek to cheat borrowers and taxpayers and they undermine confidence in the federal student aid programs. Working together with the FCC and other federal and state agencies, we aggressively track scammers through borrower complaints to take actions against them. Federal Student Aid reaches out to protect student loan borrowers we think may be victims of scams and help educate them about how to avoid scams."

Consumer Financial Protection Bureau

Director Rohit Chopra: "Student loan scams frequently seek to take advantage of news about loan cancellation and debt relief, and the FCC's action will help prevent additional fraud against borrowers. Millions of Americans are eligible for significant relief through legitimate programs including the Department of Education's SAVE Program. Borrowers with questions about loan cancellation can find reliable resources online at the <u>CFPB</u> and the Department of Education."

What's New

The Enforcement Bureau issued a cease-and-desist letter demanding that Arizona-based voice service provider DigitalIPVoice, Inc., no longer facilitate an illegal robocall campaign pertaining to student loan services. The Bureau warned the company that, if it does not stop its support for illegal robocalls and promptly report to the FCC the actions it has taken to prevent continued illegal activity, it may be cut off from handing call traffic off to other voice service providers. Providers received a "K4" public notice informing them that, depending on DigitalIPVoice's cooperation, they may cease accepting traffic from DigitalIPVoice.

How We Got Here

Since March 2021, the FCC has been issuing <u>cease-and-desist letters</u> to companies suspected of originating and/or transmitting illegal robocall campaigns. These warnings have largely resulted in the targets ending their robocall activities. Where a warning was not enough, the FCC has moved quickly to block ongoing robocall campaigns. The FCC has prioritized addressing ongoing robocall campaigns to save consumers from the scams and the frustration of illegal calls.

Getting Results:

The <u>FCC's Robocall Response Team</u> serves as an FCC staff working group to combat the unyielding menace of illegal spoofed, or scam, robocalls.

- Blocking active robocall scam campaigns by issuing first-of-their-kind actions:
 - o 99% drop in auto warranty scam robocalls after an FCC action;
 - 88% month-to-month drop in student loan scam robocalls in 2022;
 - Halted predatory mortgage robocalls targeting homeowners nationwide;
- Fining companies record-breaking amounts for illegal robocalls and spoofing;
- Closing gateways used by international robocallers to reach Americans' phones;
- Widespread implementation of STIR/SHAKEN caller ID authentication standards including applying the requirements to gateway providers;
- Working with industry to traceback illegal calls to their sources;
- Ensuring voice service providers meet FCC robocall mitigation requirements;

- Signing robocall investigation partnerships with 49 states, District of Columbia, Guam and international partners;
- Establishing first-of-their-kind regulations targeting scam text messaging; and
- Launching the Robocall Mitigation Database to monitor STIR/SHAKEN compliance.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).