

The Growing Threat of Financial Scams

Digital scam losses have increased 370 percent in the U.S. over the past five years, and scam victims lost \$1 trillion last year globally

Financial scams are a growing problem in the United States and around the world. According to a recent survey, one in three Americans [reported](#) that over the past year, they had been targeted at least once by a scam, with nearly 40 percent – tens of millions of Americans – indicating that they lost money to the scam. Around the world, scammers stole an estimated [\\$1 trillion](#) in 2024, or more than [one percent](#) of all global economic output – more than the global drug trade, and approximately double the annual [gross domestic product](#) of Argentina, Sweden, or Israel.

Americans are a favorite target of scammers, with the FBI reporting more than [\\$16.6 billion](#) stolen through digital scams in 2024 – up from [\\$12.5 billion](#) the year before and [\\$3.5 billion](#) in 2019, a 370 percent increase over the last five years. Other estimates put this amount at over \$50 billion per year – far exceeding the amount Americans lose each year due to [burglary and car theft](#). In 2024, scam victims in the U.S. reported losing [\\$19,000](#) on average. Groups like seniors, veterans, and children are especially vulnerable, and Americans across the board are hit with billions of spam [texts](#), [emails](#), and [calls](#) monthly. In addition, technology such as artificial intelligence (AI) is dramatically improving the ease and efficacy of these scams.

Financial scams are a serious problem, but policymakers and private sector actors alike have thus far failed to adequately address scams and the underlying vulnerabilities that have allowed them to proliferate. The Joint Economic Committee – Minority is now taking this issue head on, launching a major project to investigate financial scams and strengthen efforts to prevent them.

Spotlight on New Hampshire

- Last year, Granite Staters lost nearly [\\$53 million](#) to thousands of online scams – nearly twice the [\\$27 million](#) that residents lost in 2023 and more than seven times the [\\$7.2 million](#) that residents lost in 2019.
- Residents aged 60 and over accounted for more than [\\$15 million](#) of the total losses in New Hampshire (N.H.) in 2024.
- In N.H., criminals have [impersonated law enforcement](#), the [New Hampshire DMV](#), [tech support](#), and more.

Scammers especially target seniors, veterans, and children

- **Seniors** lost nearly [\\$5 billion](#) to online scams last year — nearly one-third of the total losses in the country. Victims aged 60 and over reported losing more than [\\$80,000](#) on average — four times the average losses experienced by the general U.S. population.
 - Technology is helping imposters convincingly [prey](#) on elderly adults with fraudulent [messages](#) that appear to come from Social Security or Medicare, as well as with fake offers of romance, tech support, or sweepstakes winnings that look legitimate.
 - In one especially cynical scam, known as the [“grandparent scam,”](#) criminals call victims using AI-generated voice clones of their loved ones and pretend to desperately need money after an emergency.
- Last year, **veterans** were defrauded out of [\\$419 million](#) and filed 166,000 scam complaints with the Federal Trade Commission.
 - To target service members and veterans, scammers often use [imposter scams](#), such as [realistic](#), AI-generated [messages](#) designed to look like [VA](#) correspondence.
- **Children** are [51 times](#) more likely to become victims of identity theft than adults, and an estimated [25 percent](#) of minors will have their identities stolen before the age of 18. Children may not [learn](#) that their identities have been stolen until they are much older, for instance when they try to open a bank account for the first time.

Technology is making scams more personalized, believable, and difficult to detect

- The growing use of [AI](#) is dramatically increasing scammers’ ability to defraud their targets. [AI](#) quickly identifies and collects details on victims, allowing fraudsters to create tailor-made scams. With [information](#) like account numbers and birthdates, scammers can use [AI](#) to send a high volume of [individualized](#), professional-sounding messages through text, email, and calls.
- Scammers can even place fraudulent calls using deepfake voices from [“spoofed”](#) phone lines — a process that can now be [automated](#) due to interactive, conversational AI models.
 - One analysis found that the number of deepfake incidents in the financial tech sector increased by [700 percent](#) between 2022 and 2023, and a 2024 [survey](#) found that 45 percent of respondents in the U.S. who received a deepfake scam call in the previous year were duped.

Scams are an urgent issue that demands action from the public and private sectors alike

- JEC Minority is launching this initiative to help spotlight the huge increase in — and impact of — financial scams.
- The Committee will aim to ensure that both government and businesses step up efforts to fight fraud, especially as scammers use rapidly evolving tactics.
- For example, the project will examine ways to prevent the proliferation of fraud on payment platforms and through spam calls and texts, as well as evolving scam threats that AI presents and the role that companies should play in preventing the exploitation of their technologies for fraud.