



South Carolina
DEPARTMENT OF CONSUMER AFFAIRS
 293 Greystone Boulevard Suite 400
 P. O. BOX 5757
 COLUMBIA, SC 29250-5757

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PROTECTING CONSUMERS SINCE 1975

February 26, 2024

Via Electronic Submission

Federal Communications Commission
 Office of the Secretary

**RE: Targeting and Eliminating Unlawful Text Messages; Implementation of the Telephone Consumer Protection Act of 1991
 CG Docket Nos. 02-278 and 21-402**

Dear Secretary Dortch:

The South Carolina Department of Consumer Affairs (“SCDCA”/“Department”) is pleased to offer comments in response to the Federal Communications Commission’s (“FCC”/“Commission”) proposed rule to address unlawful text messages, as outlined in the FCC’s Notice of Proposed Rulemaking.

SCDCA is the state’s consumer protection agency. Established in 1974, SCDCA is responsible for the administration and enforcement of over 120 state and federal laws. A large part of our authority stems from Title 37 of the South Carolina Code of Laws, the Consumer Protection Code, of which the South Carolina Telephone Privacy Protection Act¹ is a part. The agency also has responsibility over the statute specifically placing limitations on telephone solicitations and calls made with automatically dialed announcing devices.²

SCDCA supports the proposed rule and offers for the FCC’s consideration the following data regarding unlawful text messages affecting South Carolina consumers. These comments are based upon SCDCA’s experience in administering and enforcing telecommunications statutes, and processing consumer complaints and scam reports. SCDCA provided similar perspectives in the Commission’s efforts to target and eliminate unlawful robocalls in WC Docket No. 17-97³ and

¹ S.C. Code Ann. § 37-21-10 *et seq.*, the South Carolina Telephone Privacy Protection Act.

² S.C. Code Ann. § 16-17-446.

³ https://consumer.sc.gov/sites/default/files/Documents/Advocacy/FTC_Call_Authentication_Trust_Anchor.pdf

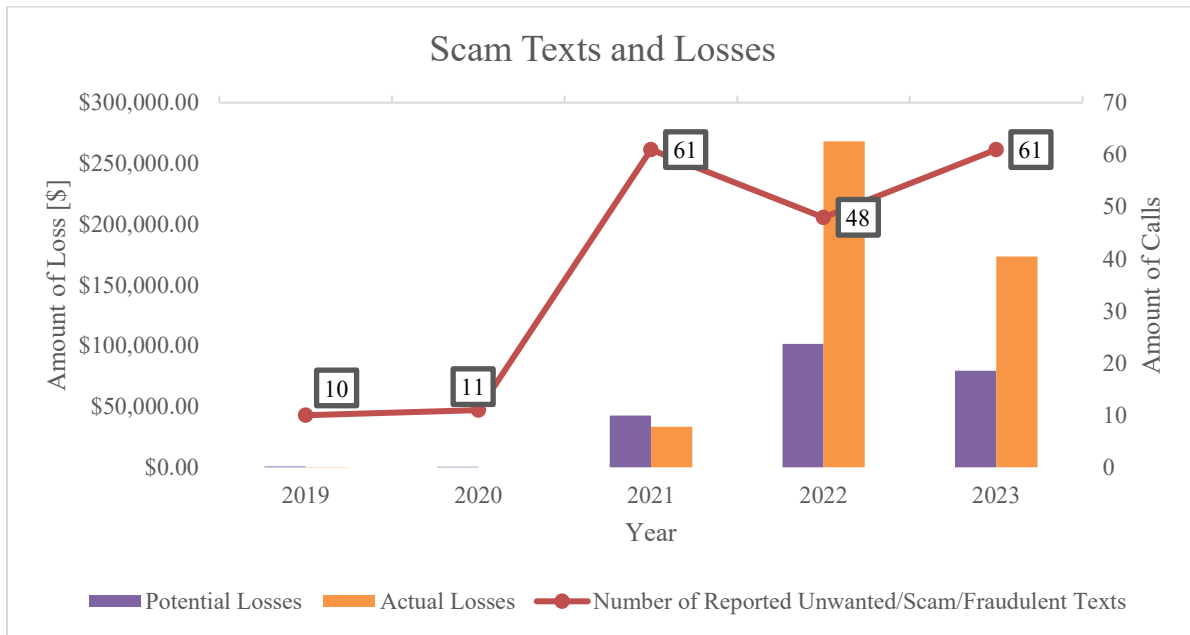


No. 13-97⁴, and has updated the data herein to allot for the current proposal and the time passed since submission of the prior comment letter.

Discussion

Despite the implementation of STIR/SHAKEN, it appears phone scams have not been fully abated, and scammers are using text messages as an additional means to target their victims. The Department’s Identity Theft Unit (“Unit”) ⁵ receives scam reports from consumers and tracks both actual losses (*i.e.*, money paid by the consumer) and potential losses (*i.e.*, money requested, but not paid). The Unit received reports of 191 text message related scams between January 2019 and September 2023, reflecting actual losses of \$478,483 and \$226,108 in potential losses.

The Unit received reports of 10 scam text messages in 2019 with consumers incurring \$237 in actual losses and \$650 in potential losses. Eleven (11) scam text messages were reported in 2020 with no reports of actual losses and \$500 in potential losses. In 2021, the number of scam text reports increased to 61, with actual losses of \$33,300 and potential losses of \$42,596. In 2022, despite a reduction in the number of reported text messages scams (48), consumers reported even higher losses, with \$268,290 in actual losses, and \$101,682 in potential losses. From January through September 2023, the Unit received reports of 61 scam text messages, \$173,564 in actual losses, and \$79,378 in potential losses.⁶



⁴https://consumer.sc.gov/sites/consumer/files/Documents/Advocacy/FCC_Strengthening_Numbering_System_Policies.pdf

⁵ In 2012, the South Carolina General Assembly funded the Identity Theft Unit (“Unit”). The Unit assists victims of identity theft and persons affected by security breaches, and provides identity theft-related education and outreach to consumers in South Carolina. The Unit also processes scam reports, as the main goal of a scammer is often to separate consumers from their personal identifying information or financial resources.

⁶ Due to issues with the database, at this time the Department is unable to provide text scam data for the remainder of 2023.



As this data demonstrates, the number of scam texts received is not proportional to the actual losses suffered by South Carolina consumers; therefore, SCDCA supports the proposed rule as even one scam text could cause substantial financial harm to a consumer. The Department also concurs with the Commission's assessment that rules analogous to those applied to voice service providers could incentivize originating entities to proactively address illegal texts, thereby enhancing consumer protection.

Conclusion

While the Department does not have the expertise to address many of the technical industry specific questions raised in the request, we hope the FCC finds the data we provided beneficial as it decides a path forward for this issue. We commend the Commission's commitment to addressing the challenges posed by unlawful text messages and protecting consumers from fraudulent activities. Should you have any questions pertaining to our comments, please feel free to contact me at 803-734-4200.

Regards,

A handwritten signature in blue ink, appearing to read "Roger Hall".

Roger Hall, Esq.
Deputy Consumer Advocate