



Fighting Against Service Members and Veterans

Consumer Protection Branch

Civil Division

Department of Justice

Northeast On-Site
Fort Belvoir
July 18, 2015



CONSUMER PROTECTION BRANCH

Our Mission

- The mission of the Consumer Protection Branch (“CPB”) is to protect consumers through the vigorous civil and criminal enforcement of federal consumer protection laws.
- Fraud on Servicemembers, Veterans and their Families
 - A Department and Branch priority
 - Recognizes that this population has characteristics that are appealing to fraudsters
 - A law enforcement issue
 - A readiness, welfare and morale issue for active duty servicemembers
- Purpose of this briefing:
 - To bring awareness of our office to JAG attorneys



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CPB Case Initiation

Agency Referrals



FDA



FTC



CPSC

CPB Initiation



USAO



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Who We Are

- **CPB consists of over 40 attorneys**
 - Criminal prosecutions
 - Civil cases
- **Substantial litigation support resources**
 - Cadre of experienced paralegals
 - Data management specialists



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Approach to Service Members and Veterans

- **Three-Pronged Approach to Addressing Fraud on Servicemembers, Veterans, and their Families:**
 - **Enforcement**
 - **Prevention through education and outreach**
 - **Capacity Building/Assistance**



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Selected Enforcement Statutes

➤ **Some of the many statutes the Consumer Protection Branch enforces are:**

- **The Telemarketing and Consumer Fraud and Abuse Prevention Act, (15 U.S.C. §§ 6101 et seq.)**
- **The Telemarketing Sales Rule, 16 C.F.R. Part 310**
- **The Truth in Lending Act, 15 U.S.C. §§ 1601-1667f**
- **The Fair Credit Billing Act, 15 U.S.C. §§ 1666-1666j**
- **The Equal Credit Opportunity Act, 15 USC §§ 1691-1691f**
- **The Fair Credit Reporting Act, 15 U.S.C. §§ 1681-1681x**
- **The Credit Repair Organizations Act, 15 U.S.C. § 1679 – 1679j**
- **The Fair Debt Collection Practices Act, 15 U.S.C. § 1692-1692p**



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Report Suspected Fraud



Speaking of Scams...

Every day, scammers target people in our communities. Some scams reach a wide audience, others focus on certain groups – for example, older adults or Spanish-speakers. But you can make a difference by talking to people you know. Share the scams you hear about. A few words from you can help someone you care about avoid scams.

What can you tell people about scams? Here's a start:

Check it out.

Someone might ask you for money or personal information. But do you really know who's behind that email or on the phone? They might not be who they say they are. Check it out before you do anything. Talk to someone you know about how you can confirm the story – and what you should do.

Don't be in a hurry.

Someone might want you to *act now* to give them money or personal information – before you have time to think about it. Tell that person you need time. Then talk to someone you trust before you do anything else.

Talk about it.

The best way to avoid a scam is to talk about it – even if you're not sure it *is* a scam. Talking about the phone calls and emails you get can help you, and helps those you care about.

Report scams.

If you spot a scam, tell us. Your report makes a difference. Report scams in English and Spanish: call 1-877-382-4357 or visit [ftc.gov/complaint](https://www.ftc.gov/complaint) (English) or www.ftc.gov/queja (Spanish).

Want to learn more about scams? Visit consumer.ftc.gov.



U.S. Department of Justice | Federal Trade Commission



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Examples of our Expertise

- ***Fighting foreclosure rescue scams:*** Fraudsters target individuals on the brink of losing their homes and offer relief (for a fee) that never comes. In some cases, struggling homeowners are asked to turn over the title to their homes as a temporary measure.
- ***Fighting business opportunity fraud:*** Work-at-home "opportunities" charge a hefty initial fee, but turn out to be filled with empty promises of revenue and support - and phony "success stories" are used to bolster investor confidence.
- ***Fighting other fraud:*** Unsafe consumer products (GE dishwashers catching fire, juicers exploding, faulty exercise equipment), unfair or deceptive acts or practices (including deceptive or misleading advertising and misleading information from for-profit schools), and odometer fraud.



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Cases of Interest

➤ Automobile Fraud

➤ Odometer Fraud

- **United States v. Jeffrey Levy; United States v. Shamai Salpeter**

2:14-CR-00533 (C.D. Cal.); 2:14-CR-00532 (C.D. Cal.)

On April 13, 2015, Salpeter was sentenced to two years in prison on charges related to an odometer tampering scheme. He was also ordered to pay \$421,666 in restitution to victims who purchased vehicles without knowing the odometers displayed incorrect mileages



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Cases of Interest

➤ Internet Automobile Fraud





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Cases of Interest

- **Debt Relief Scams**
- **Credit Card**
 - CPB attorney recently indicted 3 individuals for conspiracy, mail fraud, and wire fraud in connection with their roles at companies known as Nelson Gamble & Associates and Jackson Hunter Morris & Knight LLP. (CDCA)
- **Mortgage Refinance**



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Cases of Interest

- **Business Opportunity Fraud**
- Seven individuals were recently indicted in connection with a vending machine “business opportunity” that defrauded thousands of victims across the country. (SDNY)



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New Scams

- Tech Support Scams





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Contact Us

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Thank You

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