

STATEMENT OF ANNE HUMPHREYS
BEFORE THE
SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

MAY 21, 2024

Chairman Blumenthal, Ranking Member Johnson, and distinguished members of the subcommittee, good afternoon and thank you for inviting me to testify about a sophisticated scam that targeted my family. My name is Anne Humphreys and I live in Laurel, Maryland. Unfortunately, the type of fraud that happened to my family is all too common, and I believe my testimony can shed light on the tactics scammers use and the urgent need for stronger consumer protections.

On the morning of February 7th, 2022, I arrived at my mother's Baltimore County home around 11 AM where my mother's caregiver greeted me at the door and whispered, "your brother is in trouble." I found my mom on the phone with someone claiming to be my brother. Mom saw me and said to the caller, "here's Anne, talk to her."

Thinking this is my brother in trouble, I was horrified to hear the story. The caller described a harrowing car accident. He suffered serious injuries. The other driver, a pregnant woman, was in critical condition. He claimed to be in a courthouse in Virginia, facing arrest for being on his phone while driving. To explain why his voice sounded different than normal, he said that he had inhaled airbag chemicals which were causing him breathing difficulties.

This whole scenario was designed to create a sense of urgency and panic. The caller, posing as my brother, knew enough detail about family members to be believable, and appeared to be quite scared. He had answers to questions I hadn't even thought to ask. He then asked me to call his supposed lawyer, "Mark Ross," who provided details about the accident and the urgent need to post bond so that my brother would avoid jail time. Throughout the day, I had multiple phone and text exchanges with "Mark Ross," who gave seemingly plausible answers to all my questions.

"Mark Ross" told me he needed a huge amount of money, which I told him I couldn't put my hands on. He lowered the amount to \$8,400. I frantically tried to figure out how to get money to the bond company. He asked me if I had access to any online payment apps like CashApp or Zelle. I was familiar with Zelle, using it regularly through Wells Fargo to pay for my mother's caregivers. I told him I could make a transfer with Zelle. He said that was fine, and I was instructed to use Zelle to send \$3,500 to someone named "Ilenis Jimenez" at the bond company. That was enough to begin the process to have him released.

I was able to send the \$3,500 to "Ilenis Jimenez" through Zelle. It took me multiple tries for it to go through. In my nervousness and haste to get this done, I kept messing up the registration, but finally got it to process.

The scam only ended at 5:00 PM that night when my REAL brother stopped on his way home from work to see my mother. She told him that I was shipping the remainder of his cash bond.

He challenged that, said he didn't need bond, wasn't in jail or hospital, and called me immediately. I realized it was a scam, halted all efforts to send the remainder of the \$8,400 cash bond, and I stopped communicating with "Mark Ross." I was devastated.

Looking back on this situation, I see the red flags. For example, the supposed lawyer, Mark Ross, requested money transfers through Zelle, not through a secure legal payment system. Also, the cash bond was to be sent to a private individual -- Ilenis Jimenez -- not a licensed bail bond company. In that moment, however, I was just a loving sister, and my mom was a loving mother who had a very real fear for my brother's well-being. And the scammers who targeted us were very good at making the situation seem real and urgent. I think what happened to us could happen to anyone.

Unfortunately, trying to recover from this crime has proven to be almost as traumatic as the crime itself. There seems to be no recourse for our loss.

Immediately after discovering the fraud on February 7, I called Wells Fargo around 6:00 PM – mere hours after the Zelle transaction. I spoke to a representative in the fraud department and described what had taken place. He took notes and sympathized with me. I gave him names, phone numbers, and addresses. He told me it sure sounded like fraud. He said they would investigate it, and I'd have an answer within 10 days.

Ten days went by without any updates or communication. I called Wells Fargo repeatedly. I still thought I was going to get our money back. On March 10, more than a month later, my claim was denied. They said I had processed the transaction successfully and there was no fault found. I requested documentation for their decision, and they sent me paperwork in May that showed the transaction from my end, but nothing about where it went.

That same night, February 7, after I alerted Wells Fargo about the scam, I successfully filed paperwork with the Federal Trade Commission, and attempted to document it with the Maryland Attorney General's Office, but I couldn't get through the website or contact anyone in that office. The next day, I went to the police station and filed a police report. They took the information and screen shots of the texts I exchanged with "Mark Ross." They told me all they would do is file it in case the phone numbers or names show up in another crime. They gave me no reason to think that they were going to be able to resolve this case.

Looking back on it – Wells Fargo's website did have warnings about sending payments to people, similar to "make sure you have the correct number; once it's sent it's gone," but no big warnings like there are now. As a matter of fact, it wasn't too long after this scam happened to us that Wells Fargo sent updated notices for Zelle transfers with more severe warnings. Shortly after that, they sent out a notice about changes to "online access", spelling out in greater detail why and how they aren't responsible for certain electronic transfers. None of that existed when we were defrauded. And now they make you answer a ton of questions before sending money via Zelle to a new user. Still, though, they have no financial accountability.

My question is this – if Wells Fargo knew there were no consumer protections on Zelle, why did they offer the service to their customers? And since Wells Fargo, along with Bank of America and other major financial institutions, has financial interests in Zelle, why don't they have some financial accountability for the protection of their customers? And why haven't they taken steps

to make sure someone DOES know where the money is going? Why is Zelle allowed to operate this way, knowing the high probability of fraud?

Chairman Blumenthal, Ranking Member Johnson, I share my story not for sympathy, but to raise awareness and advocate for stronger safeguards. The emotional and financial toll of this scam on my family was significant and is still being felt. And I'm sure that I'm just one of hundreds of thousands, if not millions, of consumers who are being targeted this way. Action by you and your colleagues here in Congress is urgently needed to stop these scammers.

Thank you.