

## The Rising Crisis of Elder Financial Fraud

**June 15 is World Elder Abuse Awareness Day -- but everyone should read this article!**

Every day, multinational criminal organizations are attacking Americans of all ages from many different angles. No one is immune from this attack – if one approach doesn't work, they'll try another, weaponizing human nature against us through fear, greed, or love to lower defenses. We highlight this for World Elder Abuse Awareness Day (WEAAD) because, unlike younger targets, older adults suffer more damage from these scams as they have more to lose and less time to rebuild their hard-earned nest egg.

Financial fraud targeting adults over 60 has escalated into a national crisis, with reported losses skyrocketing over the last four years. According to the Federal Trade Commission, in 2024, older Americans reported losing a record \$2.4 billion to scams, a fourfold increase since 2020. The FBI's Internet Crime Complaint Center (IC3) received over 147,000 complaints from this demographic in 2024 alone, reflecting a staggering 43% jump in losses from 2023.

Fraudsters increasingly target seniors because they often possess significant savings, home equity, and good credit. In 2024, the North American Securities Administrators Association (NASAA), of which DFI is a member, reported the top products and schemes in investigations involving senior victims were digital assets, relationship scams, stocks and similar equities, social media fraud, and promissory notes. The highest losses came from scams initiated on social media.

- **Investment and Cryptocurrency Scams:** Currently the most destructive, with approximately \$744 million in reported senior losses in 2024. Victims are often lured through social media into fraudulent cryptocurrency platforms. Wisconsin seniors suffered over \$26 million in cryptocurrency-related losses in 2024.
- **AI-Enhanced Deception:** Criminals are leveraging generative AI for voice cloning and deepfakes. In modern "grandparent scams," AI can clone a grandchild's voice from a short audio sample to make a plea for emergency bail money appear authentic.
- **Impersonation Schemes:** Scammers exploit trust by posing as government agencies (IRS, Medicare, or the FTC), tech support agents, or romantic interests. Tech support scams alone cost older Americans \$159 million in 2024.
- **Crypto Kiosks (a/k/a Bitcoin ATMs):** An emerging tactic directs targets to deposit funds into crypto kiosks providing the near-instant, irreversible transfer of cash into cryptocurrency. The FBI reported \$333 million in crypto kiosk scam losses in 2025.

Relationship scams continue to target Americans of all ages and are particularly challenging. They can last for weeks, involve new online friendships, and follow a similar pattern:

- The first contact is an unsolicited text or through social media platforms (Facebook, Instagram, LinkedIn or dating applications);

- They encourage moving to encrypted messaging services (WhatsApp, Telegram or Signal);
- They use terms of endearment early in the relationship;
- They encourage you to open a bank/crypto account;
- They brag about their successful investments and offer coaching; and
- They are never available to meet in person.

The good news is that regulators are leveraging technology to fight back against digital fraudsters, issuing alerts, shutting down scam websites, and partnering with blockchain and digital asset firms to trace and recover stolen funds, which hopefully will encourage reporting. However, the best protection is always prevention. Proactive measures may include adding a trusted contact to investment accounts, establishing family code words to verify identities during urgent calls, and remaining alert to red flags of financial fraud.

Sadly, even the most prepared person can be scammed by these professional, organized, sophisticated fraudsters. If that happens, it is admittedly hard to know where to report what happened. You might start with the Wisconsin Elder Abuse hotline at (833) 586-0107 or <https://ReportElderAbuseWI.org>, or you can find your local aging agency at <https://www.dhs.wisconsin.gov/aps/ear-agencies.htm>. Survivors of financial scams should report to local law enforcement to get a case number and then file a complaint with the FBI's IC3 ([IC3.gov](https://www.ic3.gov)), the Federal Trade Commission ([FTC.gov](https://www.ftc.gov)) and the Secret Service ([CryptoFraud@SecretService.gov](mailto:CryptoFraud@SecretService.gov)).

You can also report investment scams directly to the Wisconsin DFI Division of Securities at [DFIDLSecuritiesEnforcement@dif.wisconsin.gov](mailto:DFIDLSecuritiesEnforcement@dif.wisconsin.gov) or (608) 266-2139. If we can't recover your funds, we can assist you to gather the relevant information for law enforcement. To learn more about scams impacting Wisconsin investors, find our Investment Scam Tracker under the "Securities" tab on our website – [dfi.wi.gov](https://dfi.wi.gov) –highlighting real scams reported and providing advice on how to protect yourself.

Reporting fraud helps law enforcement detect patterns, build criminal cases, and potentially recover lost funds. Your experience can protect others by helping agencies track emerging threats and issue public alerts. IC3 aggregates individual reports to share across a vast network of local, federal, and international partners to strengthen collective investigations.

Finally, when facing pressure to turn over funds quickly, pause to consider your options. If you feel an emotional need to follow through, that is a huge red flag. Stop, think it through, validate through reliable sources, and listen to your brain. Bounce it off a trusted friend if you can't separate your emotions from the decision. Report the scam, especially if you sent money already. The faster you act, the more likely something can be done. **Stop, Verify, and Report!**