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Statement
of the
National Academy of Elder Law Attorneys
for the
Special Committee on Aging
of the
United States Senate
"The AI Deception Machine: Deepfakes, Chatbots, and the New Frontier of Senior Fraud"
July 29, 2026

On behalf of our more than 4,000 members who are attorneys representing older Americans and individuals with disabilities, the National Academy of Elder Law Attorneys (NAELA) writes to express our strong support for legislation to combat the growing number and increasingly sophisticated nature of scams involving artificial intelligence (AI) that target older adults. NAELA is the leading professional association dedicated to improving the quality of legal services for older Americans and individuals with disabilities. With 31 active state chapters and members in all 50 states, NAELA provides elder and special needs law attorneys with education, advocacy, community, and the resources they need to better serve their clients.

Artificial intelligence has made familiar scams more convincing, less expensive to operate, and easier to deploy on a massive scale. Scammers can use AI to imitate a trusted person's writing style, clone a family member's voice, fabricate photographs and video, and sustain highly personalized communications over long periods. Romance, investment, technical-support, and impersonation scams are not new, but AI allows perpetrators to manufacture apparent intimacy, credibility, and urgency with a level of sophistication that can overwhelm ordinary safeguards. The burden of addressing this threat cannot rest primarily on older adults being able to distinguish reality from increasingly persuasive fabrication.

Social isolation and loneliness can increase vulnerability to relationship-based scams, but the concern is not that older adults are inherently incapable of using technology safely. Indeed, the committee's new report recognizes that responsibly designed AI companion devices may substantially reduce feelings of loneliness. The same capacity to create persistent, responsive, and emotionally validating interactions, however, can be weaponized by scammers. A scammer can exploit that seemingly real connection to take a person's money, security, and even sense of self.

Meanwhile, many older adults choose not to pursue action against scammers because they may be ashamed of becoming a victim, concerned about showing signs of cognitive loss, or fearful of losing their independence. As a result, they may not report the scam to authorities. In fact, while the Federal Trade Commission (FTC) reported that older adults reported losing more than $2.4 billion in fraud losses during 2024, nearly four times the amount reported in 2020. Because many victims never report their losses, reported figures necessarily understate the scope of the harm.

In one NAELA member's recent experience, the attorney learned, only after the damage had been done, that an older married client had become involved in a romance scam and had liquidated his 401(k) and depleted the couple's savings. By the time he understood that the relationship was fraudulent, the retirement assets and liquid savings were gone. The only substantial assets remaining were two properties held in trust, which he could not unilaterally access. The consequences extended well beyond the dollars stolen. His wife and children were understandably devastated and angry, and his wife commenced a divorce proceeding. Although the trust arrangement preserved the real property from further dissipation, it could not restore the lost retirement savings, repair the breach of trust within the family, or undo the emotional and legal consequences of the scam.

This experience illustrates the damage caused by relationship-based scams even without proof that AI was used. AI now gives perpetrators additional tools to create and sustain these false relationships, making similar harms easier to inflict and harder to detect. NAELA members routinely help clients build safeguards intended to reduce the risk or consequences of financial exploitation. Depending upon the client's circumstances, those measures may include carefully drafted durable powers of attorney, funded trusts with appropriate distribution restrictions or co-trustees, court-authorized protective arrangements, guardianships or conservatorships when legally necessary, trusted-contact designations on financial accounts, transaction alerts, limits on account access, and security freezes with the major credit-reporting agencies. These tools can reduce risk, but they are neither universally appropriate nor foolproof. They also depend upon advance planning, appropriate fiduciaries, effective implementation, and timely recognition of suspicious conduct. Once funds have been voluntarily transferred, converted to cryptocurrency, wired abroad, withdrawn from retirement accounts, or dissipated over time, the legal remedies available to the victim and family may be slow, expensive, and largely ineffective. Prevention, rapid reporting, institutional intervention, and coordinated law enforcement are therefore essential.

Any effective federal response should address the entire lifecycle of a scam, including prevention, interruption, reporting, investigation, and recovery. NAELA therefore urges Congress to create a single, accessible reporting pathway for victims and families; improve rapid coordination among financial institutions, technology companies, law enforcement, Adult Protective Services, and other appropriate agencies; give financial institutions clear authority and appropriate protections to delay suspicious transactions while preserving due-process protections and access to necessary funds; expand specialized training and technological resources for state and local law enforcement; support victims in addressing the tax, retirement-account, credit, housing, and family consequences of fraud; and require developers and platforms to incorporate reasonable safeguards against the use of AI for impersonation, fraudulent solicitation, and manipulation.

NAELA has supported bipartisan legislation intended to improve scam prevention, reporting, investigation, and enforcement. This includes the Guarding Unprotected Aging Retirees from Deception Act, which would expand law-enforcement capacity to trace fraud involving cryptocurrency and blockchain transactions, and the National Strategy for Combating Scams Act, which would improve federal coordination and standardize scam reporting. NAELA also supports the development of a centralized, accessible reporting system, as contemplated by the ReportScams.gov Act. These measures address important gaps, but legislation should also recognize the practical needs of victims after fraud occurs, including the loss of retirement assets, tax consequences, threats to housing stability, family disruption, and the frequent inability to recover transferred funds.

AI is not creating an entirely new category of fraud. It is dramatically strengthening the tools available to perpetrators of longstanding romance, investment, impersonation, and coercion-based scams. The result is not simply monetary loss. It may be the destruction of a lifetime of retirement savings, the loss of housing security, family estrangement, divorce, diminished independence, and years of legal and financial consequences.

Education remains important, but education alone is not an adequate response to technology capable of manufacturing trusted voices, images, relationships, and identities. Older Americans should not be expected to bear the principal responsibility for detecting increasingly sophisticated deception. Government, financial institutions, technology companies, law enforcement, attorneys, families, and community organizations must share responsibility for prevention, early intervention, reporting, and recovery. NAELA appreciates the committee's continued attention to this issue and stands ready to assist in developing measures that are effective, practical, and respectful of the autonomy and legal rights of older adults. If you have any questions or need additional information, please contact NAELA's Director of Advocacy and Public Affairs Mary Lynn Rynkiewicz at mrynkiewicz@naela.org.