

7/27/17

By Susan Grant, Consumer Federation of America Director of Consumer Protection and Privacy

In a [survey](#) that Consumer Federation of America and the North American Consumer Protection Investigators recently conducted about the complaints that state and local consumer protection agencies received last year, the San Francisco District Attorney's Office Consumer Protection Unit reported a new type of phishing scam. The perpetrators set up tables on the street, offering low-income and homeless people "free" phones, supposedly as part of a social service program.

They asked for people's personal information, such as their Social Security number and date of birth, in order to activate their accounts. But there were no accounts, and the phones didn't work. It was just a ploy to gather the information needed to set up false identities.

The creativity of con artists is boundless. The federal [Lifeline](#) program provides discounts on phone or broadband service for eligible low-income people, but not free phones. Some of the phone companies that participate in the Lifeline program offer free phones with the service. And there are charities that provide free phones to people in domestic violence shelters, disaster victims, and others in need.

But it's doubtful that anyone from a legitimate agency or organization would simply be standing on the street corner handing out free phones. Whenever someone unexpectedly offers you something for free and demands your sensitive personal information to get it, beware! It could be a scam, not a gift.