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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To permit State, local, and Tribal law enforcement agencies that receive eligible Federal grant funds to use such funds for investigating elder financial fraud, pig butchering, and general financial fraud, and to clarify that Federal law enforcement agencies may assist State, local, and Tribal law enforcement agencies in the use of tracing tools for blockchain and related technology, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. NUNN of Iowa introduced the following bill; which was referred to the Committee on _____

A BILL

To permit State, local, and Tribal law enforcement agencies that receive eligible Federal grant funds to use such funds for investigating elder financial fraud, pig butchering, and general financial fraud, and to clarify that Federal law enforcement agencies may assist State, local, and Tribal law enforcement agencies in the use of tracing tools for blockchain and related technology, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Guarding Unprotected
3 Aging Retirees from Deception Act” or the “GUARD
4 Act”.

5 **SEC. 2. DEFINITIONS.**

6 In this Act:

7 (1) **ELDER FINANCIAL FRAUD.**—The term
8 “elder financial fraud” means the illegal or improper
9 use of an elderly or adult with a disability’s money,
10 property, or other resources for monetary or per-
11 sonal benefit, profit, or gain.

12 (2) **ELIGIBLE FEDERAL GRANT FUNDS.**—The
13 term “eligible Federal grant funds” means funds re-
14 ceived under the following:

15 (A) The Department of Justice Economic,
16 High-Technology, White Collar, and Internet
17 Crime Prevention National Training and Tech-
18 nical Assistance Program.

19 (B) The Department of Justice Informa-
20 tion Sharing Training and Technical Assistance
21 Program.

22 (C) The Department of Justice Internet of
23 Things National Training and Technical Assist-
24 ance Program.

25 (D) Section 1401 of the Violence Against
26 Women Act Reauthorization Act of 2022 (34

1 U.S.C. 30107; relating to Local Law Enforce-
2 ment Grants for Enforcement of Cybercrimes
3 Against Individuals).

4 (E) The Department of Justice COPS
5 Technology and Equipment Program.

6 (3) GENERAL FINANCIAL FRAUD.—The term
7 “general financial fraud” means the intentional mis-
8 representation of information or identity to deceive
9 others, the unlawful use of a credit card, debit card,
10 or automated teller machine or the use of electronic
11 means to transmit deceptive information, in order to
12 obtain money or other things of value.

13 (4) PIG BUTCHERING.—The term “pig butch-
14 ering” means a confidence and investment fraud in
15 which the victim is gradually lured into making in-
16 creasing monetary contributions, generally in the
17 form of cryptocurrency, to a seemingly sound invest-
18 ment before the scammer disappears with the con-
19 tributed monies.

20 (5) SCAM.—The term “scam” means a financial
21 crime undertaken through the use of social engineer-
22 ing that uses deceptive inducement to acquire—

23 (A) authorized access to funds; or

24 (B) personal or sensitive information that
25 can facilitate the theft of financial assets.

1 (6) STATE.—The term “State” means each of
2 the several States, the District of Columbia, and
3 each territory of the United States.

4 **SEC. 3. FEDERAL GRANTS USED FOR INVESTIGATING**
5 **ELDER FINANCIAL FRAUD, PIG BUTCHERING,**
6 **AND GENERAL FINANCIAL FRAUD.**

7 (a) IN GENERAL.—State, local, and Tribal law en-
8 forcement agencies that receive eligible Federal grant
9 funds may use such funds for investigating elder financial
10 fraud, pig butchering, and general financial fraud, includ-
11 ing by—

12 (1) hiring and retaining analysts, agents, ex-
13 perts, and other personnel;

14 (2) providing training specific to complex finan-
15 cial investigations, including training on—

16 (A) coordination and collaboration between
17 State, local, Tribal, and Federal law enforce-
18 ment agencies;

19 (B) assisting victims of financial fraud and
20 exploitation;

21 (C) the use of blockchain intelligence tools
22 and related capabilities related to emerging
23 technologies identified in the February 2024
24 “Critical and Emerging Technology List Up-
25 date” of the Fast Track Action Subcommittee

1 on Critical and Emerging Technologies of the
2 National Science and Technology Council (the
3 “Critical and Emerging Technology List”); and

4 (D) unique aspects of fraud investigations,
5 including transnational financial investigations
6 and emerging technologies identified in the
7 Critical and Emerging Technology List;

8 (3) obtaining software and technical tools to
9 conduct financial fraud and exploitation investiga-
10 tions;

11 (4) encouraging improved data collection and
12 reporting;

13 (5) supporting training and tabletop exercises
14 to enhance coordination and communication between
15 financial institutions and State, local, Tribal and
16 Federal law enforcement agencies for the purpose of
17 stopping fraud and scams; and

18 (6) designating a financial sector liaison to
19 serve as a point of contact for financial institutions
20 to share and exchange with State, local, Tribal and
21 Federal law enforcement agencies information rel-
22 evant to the investigation of fraud and scams.

23 (b) REPORT TO GRANT PROVIDER.—Each law en-
24 forcement agency that makes use of eligible Federal grant
25 funds for a purpose specified under subsection (a) shall,

1 not later than 1 year after making such use of the funds,
2 issue a report to the Federal agency that provided the eli-
3 gible Federal grant funds, containing—

4 (1) an explanation of the amount of funds so
5 used, and the specific purpose for which the funds
6 were used;

7 (2) statistics with respect to elder financial
8 fraud, pig butchering, and general financial fraud in
9 the jurisdiction of the law enforcement agency, along
10 with an analysis of how the use of the funds for a
11 purpose specified under subsection (a) affected such
12 statistics; and

13 (3) an assessment of the ability of the law en-
14 forcement agency to deter elder financial fraud, pig
15 butchering, and general financial fraud.

16 **SEC. 4. REPORT ON GENERAL FINANCIAL FRAUD, PIG**
17 **BUTCHERING, AND ELDER FINANCIAL**
18 **FRAUD.**

19 No later than a year after the date of the enactment
20 of this Act, the Secretary of the Treasury and the Director
21 of the Financial Crimes Enforcement Network in con-
22 sultation with the Attorney General, the Secretary of
23 Homeland Security, and the appropriate Federal banking
24 agencies and Federal functional regulators shall, jointly,
25 submit to Congress a report on efforts and recommenda-

1 tions related to general financial fraud, pig butchering,
2 elder financial fraud, and scams.

3 **SEC. 5. REPORT ON THE STATE OF SCAMS IN THE UNITED**
4 **STATES.**

5 (a) IN GENERAL.—Not later than 2 years after the
6 date of the enactment of this Act, the Secretary of the
7 Treasury and the Director of the Financial Crimes En-
8 forcement Network in consultation with the Attorney Gen-
9 eral, the Secretary of Homeland Security, and the appro-
10 priate Federal banking agencies and Federal functional
11 regulators shall submit a report to the Congress on the
12 state of scams in the United States that—

13 (1) estimates—

14 (A) the number of financial fraud, pig
15 butchering, elder financial fraud, and scams
16 committed against American consumers each
17 year, including—

18 (i) attempted scams, including
19 through social media, online dating serv-
20 ices, email, impersonation of financial in-
21 stitutions and non-bank financial institu-
22 tions;

23 (ii) successful scams, including
24 through social media, online dating serv-
25 ices, email, impersonation of financial in-

1 stitutions and non-bank financial institu-
2 tions;

3 (B) the number of consumers each year
4 that lose money to one or more scams;

5 (C) the dollar amount of consumer losses
6 to scams each year;

7 (D) the percentage of scams each year that
8 can be attributed to—

9 (i) overseas actors; and

10 (ii) organized crime;

11 (E) the number of attempted scams each
12 year that involve the impersonation of phone
13 numbers associated with financial institutions
14 and non-bank financial institutions;

15 (F) an estimate of the number of synthetic
16 identities impersonating American consumers
17 each year;

18 (2) provides an overview of the Federal civil
19 and criminal enforcement actions brought against
20 the recipients of the proceeds of financial fraud, pig
21 butchering, elder financial fraud, and scams in the
22 period covered by the report that includes—

23 (A) the number of such enforcement ac-
24 tions;

1 (B) an evaluation of the effectiveness of
2 such enforcement actions;

3 (C) an identification of the types of claims
4 brought against the recipients the recipients of
5 the proceeds of financial fraud, pig butchering,
6 elder financial fraud, and scams;

7 (D) an identification of the types of pen-
8 alties imposed through such enforcement ac-
9 tions;

10 (E) an identification of the types of relief
11 obtained through such enforcement actions; and

12 (F) the number of such enforcement ac-
13 tions that are connected to a Suspicious Activ-
14 ity Report; and

15 (3) identifies amounts made available and
16 amounts expended to address financial fraud, pig
17 butchering, elder financial fraud, and scams during
18 the period covered by the report by—

19 (A) the Bureau of Consumer Financial
20 Protection;

21 (B) the Department of Justice;

22 (C) the Federal Bureau of Investigation;

23 (D) the Federal Communications Commis-
24 sion;

1 (E) the Board of Governors of the Federal
2 Reserve Board;

3 (F) the Federal Trade Commission;

4 (G) the Financial Crimes Enforcement
5 Network;

6 (H) the Securities and Exchange Commis-
7 sion; and

8 (I) the Social Security Administration.

9 (b) SOLICITATION OF PUBLIC COMMENT.—In car-
10 rying out the report required under subsection (a), the
11 Secretary of the Treasury shall solicit comments from con-
12 sumers, social media companies, email providers, tele-
13 communications companies, financial institutions, non-
14 bank financial institutions.

15 **SEC. 6. REPORT TO CONGRESS.**

16 Each Federal agency that provides eligible Federal
17 grant funds that are used for a purpose specified under
18 section 3(a) shall issue an annual report to the Committee
19 on Financial Services of the House of Representatives and
20 the Committee on Banking, Housing, and Urban Affairs
21 of the Senate containing the information received from law
22 enforcement agencies under section 3(b).

1 **SEC. 7. FEDERAL LAW ENFORCEMENT AGENCIES ASSIST-**
2 **ING STATE, LOCAL, AND TRIBAL LAW EN-**
3 **FORCEMENT AND FUSION CENTERS.**

4 Federal law enforcement agencies may assist State,
5 local, and Tribal law enforcement agencies and fusion cen-
6 ters in the use of tracing tools for blockchain and related
7 technology tools.