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H. R. 1215

IN THE SENATE OF THE UNITED STATES

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Read twice and referred to the Committee on Commerce, Science, and
Transportation

AN ACT

To establish an office within the Federal Trade Commission and an outside advisory group to prevent fraud targeting seniors and to direct the Commission to include additional information in an annual report to Congress on fraud targeting seniors, 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; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Fraud and Scam Reduction Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PREVENTING CONSUMER SCAMS DIRECTED AT SENIORS

Sec. 101. Short title.

Sec. 102. Senior Scams Prevention Advisory Group.

TITLE II—SENIOR FRAUD ADVISORY OFFICE

Sec. 201. Short title.

Sec. 202. Office for the Prevention of Fraud Targeting Seniors.

TITLE III—BUDGETARY EFFECTS

Sec. 301. Budgetary effects.

6 **TITLE I—PREVENTING CON-**
7 **SUMER SCAMS DIRECTED AT**
8 **SENIORS**

9 **SEC. 101. SHORT TITLE.**

10 This title may be cited as the “Stop Senior Scams
11 Act”.

12 **SEC. 102. SENIOR SCAMS PREVENTION ADVISORY GROUP.**

13 (a) ESTABLISHMENT.—There is established a Senior
14 Scams Prevention Advisory Group (referred to in this title
15 as the “Advisory Group”).

16 (b) MEMBERS.—The Advisory Group shall be com-
17 posed of stakeholders such as the following individuals or
18 the designees of those individuals:

1 (1) The Chairman of the Federal Trade Com-
2 mission.

3 (2) The Secretary of the Treasury.

4 (3) The Attorney General.

5 (4) The Director of the Bureau of Consumer
6 Financial Protection.

7 (5) Representatives from each of the following
8 sectors, including trade associations, to be selected
9 by the Federal Trade Commission:

10 (A) Retail.

11 (B) Gift cards.

12 (C) Telecommunications.

13 (D) Wire-transfer services.

14 (E) Senior peer advocates.

15 (F) Consumer advocacy organizations with
16 efforts focused on preventing seniors from be-
17 coming the victims of scams.

18 (G) Financial services, including institu-
19 tions that engage in digital currency.

20 (H) Prepaid cards.

21 (6) A member of the Board of Governors of the
22 Federal Reserve System.

23 (7) A prudential regulator, as defined in section
24 1002 of the Consumer Financial Protection Act of
25 2010 (12 U.S.C. 5481).

1 (8) The Director of the Financial Crimes En-
2 forcement Network.

3 (9) Any other Federal, State, or local agency,
4 industry representative, consumer advocate, or enti-
5 ty, as determined by the Federal Trade Commission.

6 (c) NO COMPENSATION FOR MEMBERS.—A member
7 of the Advisory Group shall serve without compensation
8 in addition to any compensation received for the service
9 of the member as an officer or employee of the United
10 States, if applicable.

11 (d) DUTIES.—

12 (1) IN GENERAL.—The Advisory Group shall—

13 (A) collect information on the existence,
14 use, and success of educational materials and
15 programs for retailers, financial services, and
16 wire-transfer companies, which—

17 (i) may be used as a guide to educate
18 employees on how to identify and prevent
19 scams that affect seniors; and

20 (ii) include—

21 (I) useful information for retail-
22 ers, financial services, and wire trans-
23 fer companies for the purpose de-
24 scribed in clause (i);

1 (II) training for employees on
2 ways to identify and prevent senior
3 scams;

4 (III) best practices for keeping
5 employees up to date on current
6 scams;

7 (IV) the most effective signage
8 and placement in retail locations to
9 warn seniors about scammers' use of
10 gift cards, prepaid cards, and wire
11 transfer services;

12 (V) suggestions on effective col-
13 laborative community education cam-
14 paigns;

15 (VI) available technology to as-
16 sist in identifying possible scams at
17 the point of sale; and

18 (VII) other information that
19 would be helpful to retailers, wire
20 transfer companies, financial institu-
21 tions, and their employees as they
22 work to prevent fraud affecting sen-
23 iors; and

24 (B) based on the findings in subparagraph

25 (A)—

(i) identify inadequacies, omissions, or deficiencies in those educational materials and programs for the categories listed in subparagraph (A) and their execution in reaching employees to protect older adults; and

(ii) create model materials, best practices guidance, or recommendations to fill those inadequacies, omissions, or deficiencies that may be used by industry and others to help protect older adults from scams.

(2) ENCOURAGED USE.—The Chairman of the Federal Trade Commission shall—

(A) make the materials or guidance created by the Federal Trade Commission described in paragraph (1) publicly available; and

(B) encourage the use and distribution of the materials created under this subsection to prevent scams affecting seniors by governmental agencies and the private sector.

(e) REPORTS.—Section 101(c)(2) of the Elder Abuse Prevention and Prosecution Act (34 U.S.C. 21711(c)(2)) is amended—

1 (1) in subparagraph (A)(iv), by striking the pe-
2 riod at the end and inserting a semicolon;

3 (2) in subparagraph (B), by striking the period
4 at the end and inserting “; and”; and

5 (3) by adding at the end the following:

6 “(C) with respect to the report by the Fed-
7 eral Trade Commission, in relevant years, in-
8 cluding information on—

9 “(i) the newly created materials, guid-
10 ance, or recommendations of the Senior
11 Scams Prevention Advisory Group estab-
12 lished under section 102 of the Stop Senior
13 Scams Act and any relevant views or con-
14 siderations made by members of the Advi-
15 sory Group that were not included in the
16 Advisory Group’s model materials or con-
17 sidered an official recommendation by the
18 Advisory Group;

19 “(ii) the Senior Scams Prevention Ad-
20 visory Group’s findings about senior scams
21 and industry educational materials and
22 programs; and

23 “(iii) any recommendations on ways
24 stakeholders can continue to work together
25 to reduce scams affecting seniors.”.

1 (f) TERMINATION.—This title, and the amendments
2 made by this title, ceases to be effective on the date that
3 is 5 years after the date of enactment of this Act.

4 **TITLE II—SENIOR FRAUD**
5 **ADVISORY OFFICE**

6 **SEC. 201. SHORT TITLE.**

7 This title may be cited as the “Seniors Fraud Preven-
8 tion Act of 2021”.

9 **SEC. 202. OFFICE FOR THE PREVENTION OF FRAUD TAR-**
10 **GETING SENIORS.**

11 (a) ESTABLISHMENT OF ADVISORY OFFICE.—The
12 Federal Trade Commission shall establish an office within
13 the Bureau of Consumer Protection for the purpose of ad-
14 vising the Commission on the prevention of fraud tar-
15 geting seniors and to assist the Commission with the fol-
16 lowing:

17 (1) OVERSIGHT.—The advisory office shall
18 monitor the market for mail, television, internet,
19 telemarketing, and recorded message telephone call
20 (hereinafter referred to as “robocall”) fraud tar-
21 geting seniors and shall coordinate with other rel-
22 evant agencies regarding the requirements of this
23 section.

24 (2) CONSUMER EDUCATION.—The Commission
25 through the advisory office shall, in consultation

1 with the Attorney General, the Secretary of Health
2 and Human Services, the Postmaster General, the
3 Chief Postal Inspector for the United States Postal
4 Inspection Service, and other relevant agencies—

5 (A) disseminate to seniors and families and
6 caregivers of seniors general information on
7 mail, television, internet, telemarketing, and
8 robocall fraud targeting seniors, including de-
9 scriptions of the most common fraud schemes;

10 (B) disseminate to seniors and families
11 and caregivers of seniors information on report-
12 ing complaints of fraud targeting seniors either
13 to the national toll-free telephone number estab-
14 lished by the Commission for reporting such
15 complaints, or to the Consumer Sentinel Net-
16 work, operated by the Commission, where such
17 complaints will become immediately available to
18 appropriate law enforcement agencies, including
19 the Federal Bureau of Investigation and the at-
20 torneys general of the States;

21 (C) in response to a specific request about
22 a particular entity or individual, provide pub-
23 lically available information of enforcement ac-
24 tion taken by the Commission for mail, tele-

vision, internet, telemarketing, and robocall fraud against such entity; and

(D) maintain a website to serve as a resource for information for seniors and families and caregivers of seniors regarding mail, television, internet, telemarketing, robocall, and other identified fraud targeting seniors.

(3) COMPLAINTS.—The Commission through the advisory office shall, in consultation with the Attorney General, establish procedures to—

(A) log and acknowledge the receipt of complaints by individuals who believe they have been a victim of mail, television, internet, telemarketing, and robocall fraud in the Consumer Sentinel Network, and shall make those complaints immediately available to Federal, State, and local law enforcement authorities; and

(B) provide to individuals described in subparagraph (A), and to any other persons, specific and general information on mail, television, internet, telemarketing, and robocall fraud, including descriptions of the most common schemes using such methods of communication.

(b) COMMENCEMENT.—The Commission shall commence carrying out the requirements of this section not

4 SEC. 301. BUDGETARY EFFECTS.

Passed the House of Representatives April 15, 2021.

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