

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To establish a Task Force for Recognizing and Averting Payment Scams,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. CRAPO (for himself, Mr. WARNER, Mr. MORAN, and Mr. WARNOCK) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To establish a Task Force for Recognizing and Averting  
Payment Scams, 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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Taskforce for Recog-  
5       nizing and Averting Payment Scams Act” or the “TRAPS  
6       Act”.

7       **SEC. 2. DEFINITIONS.**

8       In this Act:

9               (1) PAYMENT.—The term “payment” means  
10       any mechanism through which an individual can

1       electronically transfer funds to another individual via  
2       a platform or intermediary.

3               (2) SECRETARY.—The term “Secretary” means  
4       the Secretary of the Treasury.

5               (3) TASK FORCE.—The term “Task Force”  
6       means the Task Force on Payment Scams estab-  
7       lished under section 3(a).

8   **SEC. 3. TASK FORCE ON PAYMENT SCAMS.**

9       (a) ESTABLISHMENT.—Not later than 90 days after  
10   the date of enactment of this Act, the Secretary shall es-  
11   tablish a task force, to be known as the Task Force for  
12   Recognizing and Averting Payment Scams.

13       (b) MEMBERSHIP.—

14               (1) COMPOSITION.—The Task Force shall be  
15       chaired by the Secretary or a designee thereof, and  
16       shall consist of representatives from the following:

17                       (A) The Bureau of Consumer Financial  
18       Protection.

19                       (B) The Federal Communications Commis-  
20       sion.

21                       (C) The Federal Trade Commission.

22                       (D) The Department of Justice.

23                       (E) The Office of the Comptroller of the  
24       Currency.

1 (F) The Board of Governors of the Federal  
2 Reserve System.

3 (G) The National Credit Union Adminis-  
4 tration.

5 (H) The Federal Deposit Insurance Cor-  
6 poration.

7 (I) The Financial Crimes Enforcement  
8 Network.

9 (J) A representative, appointed by the Sec-  
10 retary in consultation with the Task Force,  
11 from a financial institution with expertise in  
12 identifying, preventing, and combating payment  
13 scams.

14 (K) A representative, appointed by the  
15 Secretary in consultation with the Task Force,  
16 from a credit union with expertise in identi-  
17 fying, preventing, and combating payment  
18 scams.

19 (L) A representative, appointed by the Sec-  
20 retary in consultation with the Task Force,  
21 from a digital payment network with expertise  
22 in identifying, preventing, and combating pay-  
23 ment scams.

1 (M) A representative, appointed by the  
2 Secretary in consultation with the Task Force,  
3 from a community bank.

4 (N) A representative, appointed by the  
5 Secretary in consultation with the Task Force,  
6 from a consumer group.

7 (O) A representative, appointed by the  
8 Secretary in consultation with the Task Force,  
9 from an industry association representing tech-  
10 nology or online platforms.

11 (P) Not more than 5 representatives ap-  
12 pointed by the Secretary to represent victims,  
13 scam support networks, and other relevant  
14 stakeholders in order to better assist consumers  
15 and stakeholders.

16 (2) TERM OF APPOINTMENT.—The term of a  
17 member of the Task Force shall continue until the  
18 termination of the Task Force.

19 (3) VACANCY.—Any vacancy occurring in the  
20 membership of the Task Force shall be filled in the  
21 same manner in which the original appointment was  
22 made.

23 (c) PURPOSE.—The Task Force shall—

24 (1) examine current trends and developments in  
25 payment scams, identify effective methods for pre-

1 venting such scams, and issue recommendations to  
2 enhance efforts to identify and prevent such activi-  
3 ties;

4 (2) adopt a cross-sector approach to ensure its  
5 recommendations reflect the full scope of the issue,  
6 given that scams impact individuals across a wide  
7 range of industries, including financial services, tele-  
8 communications, and technology; and

9 (3) include representation from stakeholders  
10 with direct experience supporting victims of scams,  
11 as well as industry participants with insight into  
12 scam tactics and prevention strategies.

13 (d) MEETINGS.—The Task Force shall meet not less  
14 than 3 times during the 1-year period beginning on the  
15 date of enactment of this Act, and thereafter at such times  
16 and places, and by such means, as the Chair of the Task  
17 Force determines to be appropriate, which may include the  
18 use of remote conference technology.

19 (e) DUTIES.—The duties of the Task Force shall in-  
20 clude—

21 (1) evaluating best practices for combating  
22 methods used by scammers, including spoofed calls,  
23 scam text messages, and malicious advertisements,  
24 pop-ups, and websites;

1           (2) assessing how international jurisdictions  
2       have tried to prevent payment scams;

3           (3) identifying and reviewing current methods  
4       used to scam a consumer through payment plat-  
5       forms;

6           (4) determining a strategy for education pro-  
7       grams that better equip consumers to identify, avoid,  
8       and report payment scam attempts to the appro-  
9       priate authorities;

10          (5) coordinating efforts to ensure perpetrators  
11       of payment scams can be identified and pursued by  
12       law enforcement;

13          (6) consulting with other relevant stakeholders,  
14       including State, local, and Tribal agencies and finan-  
15       cial services providers;

16          (7) determining whether any additional Federal  
17       legislation would be beneficial for law enforcement  
18       and industry in mitigating payment scams; and

19          (8) identifying potential solutions to payment  
20       scams involving business email compromise.

21       (f) COMPENSATION.—Each member of the Task  
22   Force who is a civilian or employee of the United States  
23   shall serve without compensation, other than compensa-  
24   tion to which entitled as an employee of the United States,  
25   as the case may be.

1 (g) REPORT.—

2 (1) IN GENERAL.—Not later than 1 year after  
3 the date on which the Secretary establishes the Task  
4 Force, the Task Force shall submit to the Com-  
5 mittee on Banking, Housing, and Urban Affairs of  
6 the Senate and the Committee on Financial Services  
7 of the House of Representatives and make publicly  
8 available online a report detailing—

9 (A) the results of the reviews and evalua-  
10 tions of the Task Force under subsection (e);

11 (B) the strategy identified under sub-  
12 section (e);

13 (C) any legislative or regulatory rec-  
14 ommendations that would enhance the ability to  
15 detect and prevent payment scams described in  
16 subsection (e); and

17 (D) recommendations to enhance coopera-  
18 tion among Federal, State, local, and Tribal au-  
19 thorities in the investigation and prosecution of  
20 scams and other financial crimes, including har-  
21 monizing data collection, improving reporting  
22 mechanisms and streams, estimating the num-  
23 ber of complaints and consumers affected, and  
24 evaluating the effectiveness of anti-scam train-  
25 ing programs

1           (2) ANNUAL UPDATES.—After submitting an  
2       initial report required under paragraph (1), the  
3       Task Force shall, on an annual basis, submit to the  
4       Committee on Banking, Housing, and Urban Affairs  
5       of the Senate and the Committee on Financial Serv-  
6       ices of the House of Representatives and make pub-  
7       licly available online an updated version of the re-  
8       port.

9       (h) APPLICABLE LAW.—Chapter 4 of title 5, United  
10   States Code, shall not apply to the Task Force.

11       (i) SUNSET.—The Task Force shall terminate on the  
12   date that is 3 years after the date on which the Task  
13   Force submits the report required under subsection (h)(1).