119TH CONGRESS
2D SESSION

H. R. 2978

[Report No. 119–]

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

APRIL 21, 2025

Mr. NUNN of Iowa (for himself, Mr. GOTTHEIMER, and Mr. FITZGERALD) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

MAY --, 2026

Reported from the Committee on Financial Services with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 21, 2025]

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Guarding Unprotected Aging Retirees from Deception Act of 2026" or the "GUARD Act of 2026".

SEC. 2. DEFINITIONS.

In this Act:

(1) ELDER FINANCIAL FRAUD.—The term "elder financial fraud" means the illegal or improper use of the money, property, or other resources of an elderly individual or adult with a disability for monetary or personal benefit, profit, or gain.

(2) ELIGIBLE FEDERAL GRANT FUNDS.—The term "eligible Federal grant funds" means funds received under any of the following:

(A) Title IV of the Prioritizing Resources and Organization for Intellectual Property Act of 2008 (34 U.S.C. 30103 et seq.) (commonly known as the "Economic, High-Technology, White Collar, and Internet Crime Prevention National Training and Technical Assistance Program"), including relating to the use of technology to solve crimes and to facilitate prosecutions (commonly known as the "Internet of

Things (IoT) National Training and Technical Assistance Program").

(B) Title 28, Code of Federal Regulations, part 23 (commonly known as "Justice Information Sharing Training and Technical Assistance Program").

(C) Section 1401 of the Violence Against Women Act Reauthorization Act of 2022 (34 U.S.C. 30107) to a local law enforcement agency for enforcement of cybercrimes against individuals.

(D) Section 1701 title I of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. 10381), relating to developing and acquiring effective equipment, technologies, and interoperable communications that assist in responding to and preventing crime (commonly known as the "COPS Technology and Equipment Program").

(3) GENERAL FINANCIAL FRAUD.—The term "general financial fraud" means, in order to obtain money or other things of value—

(A) intentional misrepresentation of information or identity to deceive an individual;

(B) unlawful use of a credit card, debit card, or automated teller machine; or

(C) use of electronic means to transmit deceptive information.

(4) PIG BUTCHERING.—The term "pig butchering" means a confidence and investment fraud in which the victim is gradually lured into making increasing monetary contributions, generally in the form of cryptocurrency, to a seemingly sound investment before the scammer disappears with the contributed monies.

(5) SCAM.—The term "scam" means a financial crime undertaken through the use of social engineering that uses deceptive inducement to acquire—

(A) authorized access to funds; or

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

(6) STATE.—The term "State" means each of the several States, the District of Columbia, and each territory of the United States.

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

(a) IN GENERAL.—State, local, and Tribal law enforcement agencies and grantees that receive eligible Federal

grant funds may use such funds for investigating elder financial fraud, pig butchering, and general financial fraud, including by—

(1) hiring and retaining analysts, agents, experts, and other personnel;

(2) providing training specific to complex financial investigations, including training on—

(A) coordination and collaboration between State, local, Tribal, and Federal law enforcement agencies;

(B) assisting victims of financial fraud and exploitation;

(C) the use of blockchain intelligence tools and related capabilities relating to emerging technologies identified in the February 2024 "Critical and Emerging Technology List Update" of the Fast Track Action Subcommittee on Critical and Emerging Technologies of the National Science and Technology Council (the "Critical and Emerging Technology List"); and

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

(3) obtaining software and technical tools to conduct financial fraud and exploitation investigations;

(4) encouraging improved data collection and reporting;

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

(6) designating a financial sector liaison to serve as a point of contact for financial institutions to share and exchange with State, local, Tribal, and Federal law enforcement agencies information relevant to the investigation of fraud and scams.

(b) REPORT TO GRANT PROVIDER.—Each law enforcement agency and grantee that makes use of eligible Federal grant funds for a purpose specified under subsection (a) shall, not later than 1 year after making such use of the funds, submit to the Federal agency that provided the eligible Federal grant funds, a report containing—

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

(2) statistics with respect to elder financial fraud, pig butchering, and general financial fraud in

the jurisdiction of the law enforcement agency, along with an analysis of how the use of the funds for a purpose specified under subsection (a) affected such statistics; and

(3) an assessment of the ability of the law enforcement agency to deter elder financial fraud, pig butchering, and general financial fraud.

SEC. 4. REPORT ON GENERAL FINANCIAL FRAUD, PIG BUTCHERING, AND ELDER FINANCIAL FRAUD.

No later than a year after the date of the enactment of this Act, the Secretary of the Treasury, acting through the Director of the Financial Crimes Enforcement Network, and in consultation with the Attorney General, the Secretary of Homeland Security, and the appropriate Federal banking agencies and Federal functional regulators, shall submit to Congress a report on efforts to combat general financial fraud, pig butchering, elder financial fraud, and scams, including an evaluation of, and any legislative recommendations to improve, the efficacy of the efforts.

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

Not later than 2 years after the date of enactment of this Act, and two years thereafter, the Secretary of the Treasury, acting through the Director of the Financial Crimes Enforcement Network, shall submit a report to Con-

gress on the state of financial fraud, pig butchering, elder financial fraud, and scams, based on information available to the Financial Crimes Enforcement Network, that—

(1) relies on information reported to or otherwise available to the Financial Crimes Enforcement Network;

(2) analyzes trends in suspected financial fraud, pig butchering, elder financial fraud, and scams, as reflected in reports filed under subchapter II of chapter 53 of title 31, United States Code (commonly referred to as the "Bank Secrecy Act"), including—

(A) the volume of relevant reports;

(B) the aggregate dollar amount associated with the reports;

(C) typologies and methods identified through the reports; and

(D) the role of digital assets in the reports; and

(3) summarizes activities conducted in cooperation with law enforcement, including the Rapid Response Program, during the period covered by the report, including—

(A) the number of referrals received from law enforcement;

(B) the aggregate dollar amount of funds for which interdiction was sought;

(C) the aggregate dollar amount of funds successfully interdicted or recovered; and

(D) any limitations affecting the activities, including limitations arising from reliance on law enforcement referrals.

SEC. 6. REPORT TO CONGRESS.

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

SEC. 7. FEDERAL LAW ENFORCEMENT AGENCIES ASSISTING STATE, LOCAL, AND TRIBAL LAW ENFORCEMENT AND FUSION CENTERS.

Federal law enforcement agencies may assist State, local, and Tribal law enforcement agencies and fusion centers in the use of tracing tools for blockchain and related technology tools.