

[DISCUSSION DRAFT]

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend the Expedited Funds Availability Act to provide exceptions in the case of fraudulent checks or wire transfers, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Expedited Funds Availability Act to provide exceptions in the case of fraudulent checks or wire transfers, 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 “Scrutinizing Trans-  
5 actions for Overt Payment Fraud Act of 2026” or the  
6 “STOP Fraud Act of 2026”.

1 **SEC. 2. EXCEPTION TO FUNDS AVAILABILITY REQUIRE-**  
2 **MENTS IN THE CASE OF TREASURY CHECK**  
3 **FRAUD OR CASHIER'S CHECK FRAUD.**

4 Section 604(c)(1) of the Expedited Funds Avail-  
5 ability Act (12 U.S.C. 4003(c)(1)) is amended to read as  
6 follows:

7 “(1) IN GENERAL.—

8 “(A) REGULATIONS.—In accordance with  
9 regulations which the Board shall prescribe,  
10 subsections (a)(2), (b), (c), and (e) of section  
11 603 shall not apply with respect to—

12 “(i) any check deposited in an account  
13 at a depository institution if the receiving  
14 depository institution has reasonable cause  
15 to believe that the check is uncollectible  
16 from the originating depository institution;

17 “(ii) any cashier’s check, certified  
18 check, teller’s check, or depository check,  
19 or any check purporting to be a cashier’s  
20 check, certified check, teller’s check, or de-  
21 pository check, if the receiving depository  
22 institution has reasonable cause to believe  
23 that the check is forged or otherwise  
24 fraudulent; or

25 “(iii) any check drawn on, or purport-  
26 edly drawn on, the Treasury of the United

1 States if the receiving depository institu-  
2 tion has reasonable cause to believe that  
3 the check is forged or otherwise fraudu-  
4 lent.

5 “(B) REASONABLE CAUSE.—For purposes  
6 of this paragraph, reasonable cause to believe  
7 requires the existence of facts which would  
8 cause a well-grounded belief in the mind of a  
9 reasonable person. Such reasons shall be in-  
10 cluded in the notice required under subsection  
11 (f).”

12 **SEC. 3. EXCEPTION TO FUNDS AVAILABILITY REQUIRE-**  
13 **MENTS IN THE CASE OF FRAUDULENT WIRE**  
14 **TRANSFERS.**

15 Section 604 of the Expedited Funds Availability Act  
16 (12 U.S.C. 4003) is amended by adding at the end the  
17 following:

18 “(g) REASONABLE CAUSE EXCEPTION FOR WIRE  
19 TRANSFERS.—

20 “(1) IN GENERAL.—In accordance with regula-  
21 tions which the Board shall prescribe, section  
22 603(a)(1)(B) shall not apply with respect to funds  
23 received by a depository institution by wire transfer  
24 if the receiving depository institution has reasonable  
25 cause to believe that the wire transfer was induced

1 fraudulently or is otherwise part of a scheme or arti-  
2 fice to defraud any person. For purposes of the pre-  
3 ceding sentence, reasonable cause to believe requires  
4 the existence of facts which would cause a well-  
5 grounded belief in the mind of a reasonable person.  
6 Such reasons shall be included in the notice required  
7 under subsection (f).

8 “(2) BASIS FOR DETERMINATION.—No deter-  
9 mination under this subsection may be based on any  
10 class of wire transfers or persons.

11 “(3) OVERDRAFT FEES.—If the receiving de-  
12 pository institution determines that a wire transfer  
13 for credit to an account is a wire transfer described  
14 in paragraph (1), the receiving depository institution  
15 shall not assess any fee for any subsequent overdraft  
16 with respect to such account, if—

17 “(A) the depositor was not provided with  
18 the written notice required under subsection (f)  
19 (with respect to such determination) at the time  
20 the wire transfer was delayed for credit; and

21 “(B) the overdraft would not have oc-  
22 curred but for the fact that the funds so trans-  
23 ferred are not available.

24 “(4) COMPLIANCE.—Each agency referred to in  
25 section 610(a) shall monitor compliance with the re-

1        requirements of this subsection in each regular exam-  
2        ination of a depository institution and shall describe  
3        in each report to the Congress the extent to which  
4        this subsection is being complied with. For the pur-  
5        pose of this paragraph, each depository institution  
6        shall retain a record of each notice provided under  
7        subsection (f) as a result of the application of this  
8        subsection.”.

9        **SEC. 4. EXPEDITED FUNDS AVAILABILITY ACT RULE-**  
10        **MAKING AUTHORITY.**

11        The Expedited Funds Availability Act (12 U.S.C.  
12        4001 et seq.) is amended—

13            (1) in section 603(d)(1) (12 U.S.C.  
14            4002(d)(1)), by striking “Board, jointly with the Di-  
15            rector of the Bureau of Consumer Financial Protec-  
16            tion,” and inserting “Board”;

17            (2) in section 604 (12 U.S.C. 4003)—

18                    (A) by striking “Board, jointly with the  
19                    Director of the Bureau of Consumer Financial  
20                    Protection,” and inserting “Board” each place  
21                    that term appears other than in subsection (f);  
22                    and

23                    (B) in subsection (f), by striking “Board,  
24                    jointly with the Director of the Bureau of Con-

1           sumer Financial Protection.” and inserting  
2           “Board.” each place that term appears;

3           (3) in section 605 (12 U.S.C. 4004)—

4                 (A) by striking “Board, jointly with the  
5           Director of the Bureau of Consumer Financial  
6           Protection,” and inserting “Board” each place  
7           that term appears; and

8                 (B) in the heading of subsection (f)(1), by  
9           striking “BOARD AND BUREAU” and inserting  
10          “Board”; and

11          (4) in section 609 (12 U.S.C. 4008)—

12                 (A) in subsection (a), by striking “Board,  
13          jointly with the Director of the Bureau of Con-  
14          sumer Financial Protection,” and inserting  
15          “Board”; and

16                 (B) by revising subsection (e) to read as  
17          follows:

18          “(e) CONSULTATIONS.—In prescribing regulations  
19          under subsections (a) and (b), the Board shall consult  
20          with the Comptroller of the Currency, the Board of Direc-  
21          tors of the Federal Deposit Insurance Corporation, and  
22          the National Credit Union Administration Board.”.