

119TH CONGRESS
2D SESSION

H. R. 10112

To amend the Investor Protection and Securities Reform Act of 2010 to provide grants to States for enhanced protection of senior investors and senior policyholders, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 17, 2026

Mr. GOTTHEIMER (for himself and Mr. NUNN of Iowa) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Investor Protection and Securities Reform Act of 2010 to provide grants to States for enhanced protection of senior investors and senior policyholders, 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 “Empowering States
5 to Protect Seniors from Bad Actors Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Data from the Federal Trade Commission
2 shows that consumers reported losing—

3 (A) more than \$10,000,000,000 to fraud
4 in 2023, marking—

5 (i) the first time that fraud losses
6 have exceeded that amount; and

7 (ii) a 14 percent increase over those
8 reported losses in 2022; and

9 (B) more money to investment scams (spe-
10 cifically, more than \$4,600,000,000) than any
11 other category in 2023, which represents a 21
12 percent increase over those reported losses in
13 2022.

14 (2) Data from AARP, published in 2023, shows
15 that 9 out of 10 adults in the United States encoun-
16 tered a fraud attempt in the past year.

17 (3) In 2021, AARP found that servicemembers
18 are nearly 40 percent more likely to lose money to
19 scams and fraud than civilians.

20 (4) For decades, State securities and insurance
21 regulators have been leaders in the effort to protect
22 older and sometimes vulnerable adults, including vet-
23 erans, from financial exploitation.

1 **SEC. 3. GRANTS TO ELIGIBLE ENTITIES FOR ENHANCED**
 2 **PROTECTION OF SENIOR INVESTORS AND**
 3 **SENIOR POLICYHOLDERS.**

4 (a) IN GENERAL.—Section 989A of the Investor Pro-
 5 tection and Securities Reform Act of 2010 (12 U.S.C.
 6 5537) is amended to read as follows:

7 **“SEC. 989A. GRANTS TO ELIGIBLE ENTITIES FOR EN-**
 8 **HANCED PROTECTION OF SENIOR INVES-**
 9 **TORS AND SENIOR POLICYHOLDERS.**

10 “(a) DEFINITIONS.—In this section:

11 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
 12 tity’ means—

13 “(A) the securities commission (or any
 14 agency or office performing like functions) of
 15 any State; and

16 “(B) the insurance department (or any
 17 agency or office performing like functions) of
 18 any State.

19 “(2) SENIOR.—The term ‘senior’ means any in-
 20 dividual who has attained the age of 62 years or
 21 older.

22 “(3) SENIOR FINANCIAL FRAUD.—The term
 23 ‘senior financial fraud’ means a fraudulent or other-
 24 wise illegal, unauthorized, or improper act or process
 25 of an individual, including a caregiver or a fiduciary,
 26 that—

1 “(A) uses the resources of a senior for
2 monetary or personal benefit, profit, or gain;

3 “(B) results in depriving a senior of right-
4 ful access to or use of benefits, resources, be-
5 longings, or assets; or

6 “(C) is an action described in section 1348
7 of title 18, United States Code, that is taken
8 against a senior.

9 “(b) GRANT PROGRAM.—

10 “(1) IN GENERAL.—The Commission shall
11 carry out a program under which the Commission
12 shall make grants, on a competitive basis, to eligible
13 entities, which—

14 “(A) may use the grant funds—

15 “(i) to hire staff to identify, inves-
16 tigate, and prosecute (through civil, admin-
17 istrative, or criminal enforcement actions)
18 cases involving senior financial fraud;

19 “(ii) to fund technology, equipment,
20 and training for regulators, prosecutors,
21 and law enforcement officers, in order to
22 identify, investigate, and prosecute cases
23 involving senior financial fraud;

24 “(iii) to provide educational materials
25 and training to seniors to increase aware-

1 ness and understanding of senior financial
2 fraud;

3 “(iv) to develop comprehensive plans
4 to combat senior financial fraud; and

5 “(v) to enhance provisions of State
6 law to provide protection from senior fi-
7 nancial fraud; and

8 “(B) may not use the grant funds for any
9 indirect expense, such as rent, utilities, or any
10 other general administrative cost that is not di-
11 rectly related to the purpose of the grant pro-
12 gram.

13 “(2) AUTHORITY OF COMMISSION.—

14 “(A) PUBLIC INFORMATION.—In carrying
15 out paragraph (1), the Commission shall make
16 public relevant actions of the Commission relat-
17 ing to carrying out that paragraph.

18 “(B) SENSE OF CONGRESS.—It is the
19 sense of Congress that, in carrying out para-
20 graph (1), the Commission should use the au-
21 thority of the Commission under section 4A of
22 the Securities Exchange Act of 1934 (15
23 U.S.C. 78d–1) to delegate the functions of the
24 Commission under paragraph (1) to an em-
25 ployee or employee board that has experience

1 working with or for State regulators on issues
2 relating to the protection of senior investors, in-
3 cluding such investors who are vulnerable.

4 “(c) APPLICATIONS.—An eligible entity desiring a
5 grant under this section shall submit an application to the
6 Commission, in such form and in such a manner as the
7 Commission may determine, that includes—

8 “(1) a proposal for activities to protect seniors
9 from senior financial fraud that are proposed to be
10 funded using a grant under this section, including—

11 “(A) an identification of the scope of the
12 problem of senior financial fraud in the applica-
13 ble State;

14 “(B) a description of how the proposed ac-
15 tivities would—

16 “(i) protect seniors from senior finan-
17 cial fraud, including by proactively identi-
18 fying victims of senior financial fraud;

19 “(ii) assist in the investigation and
20 prosecution of those committing senior fi-
21 nancial fraud; and

22 “(iii) discourage and reduce cases of
23 senior financial fraud; and

1 “(C) a description of how the proposed ac-
2 tivities would be coordinated with other State
3 efforts; and

4 “(2) any other information that the Commis-
5 sion determines appropriate.

6 “(d) PERFORMANCE OBJECTIVES; REPORTING RE-
7 QUIREMENTS; AUDITS.—

8 “(1) IN GENERAL.—The Commission—

9 “(A) may establish such performance ob-
10 jectives and reporting requirements for eligible
11 entities receiving a grant under this section as
12 the Commission determines are necessary to
13 carry out and assess the effectiveness of the
14 program under this section; and

15 “(B) shall require each eligible entity that
16 receives a grant under this section to submit to
17 the Commission a detailed accounting of the
18 use of grant funds, which shall be submitted at
19 such time, in such form, and containing such
20 information as the Commission may require.

21 “(2) REPORT.—Not later than 2 years, and
22 again not later than 5 years, after the date of enact-
23 ment of the Empowering States to Protect Seniors
24 from Bad Actors Act, the Commission shall submit
25 to the Committee on Banking, Housing, and Urban

1 Affairs of the Senate and the Committee on Finan-
2 cial Services of the House of Representatives a re-
3 port that—

4 “(A) specifies each recipient of a grant
5 under this section;

6 “(B) includes a description of the pro-
7 grams that are supported by each such grant;
8 and

9 “(C) includes an evaluation by the Com-
10 mission of the effectiveness of such grants.

11 “(3) AUDITS.—The Commission shall annually
12 conduct an audit of the program under this section
13 to ensure that eligible entities to which grants are
14 made under that program are, for the year covered
15 by the audit, using grant funds for the intended pur-
16 poses of those funds.

17 “(e) AMOUNT OF GRANTS.—The amount of a grant
18 to an eligible entity under this section may not exceed
19 \$500,000 each year, unless the eligible entity serves as
20 both the securities commission (or any agency or office
21 performing like functions), and the insurance department
22 (or any agency or office performing like functions), of a
23 State, in which case the maximum amount of the grant
24 may not exceed \$1,000,000 each year.

1 “(f) SUBGRANTS.—An eligible entity that receives a
 2 grant under this section may, in consultation with the
 3 Commission, make a subgrant, as the eligible entity deter-
 4 mines is necessary or appropriate—

5 “(1) to carry out the activities described in sub-
 6 section (b)(1)(A); and

7 “(2) which may not be used for any activity de-
 8 scribed in subsection (b)(1)(B).

9 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
 10 are authorized to be appropriated to carry out this section
 11 \$10,000,000 for each of fiscal years 2025 through 2030.”.

12 (b) CONFORMING AMENDMENT.—The table of con-
 13 tents in section 1(b) of the Dodd-Frank Wall Street Re-
 14 form and Consumer Protection Act (Public Law 111–203)
 15 is amended by striking the item relating to section 989A
 16 and inserting the following:

“Sec. 989A. Grants to eligible entities for enhanced protection of senior inves-
 tors and senior policyholders.”.

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