

119TH CONGRESS
2D SESSION

S. 3982

To establish protections against digital impersonation fraud, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 4, 2026

Mr. SHEEHY (for himself and Ms. BLUNT ROCHESTER) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To establish protections against digital impersonation fraud,
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 “AI Fraud Account-
5 ability Act of 2026”.

6 **SEC. 2. CRIMINAL PROHIBITION ON USE OF DIGITAL IM-**
7 **PERSONATIONS TO COMMIT FRAUD.**

8 (a) IN GENERAL.—Section 223 of the Communica-
9 tions Act of 1934 (47 U.S.C. 223) is amended—

1 (1) by redesignating subsection (i) as subsection
2 (j); and

3 (2) by inserting after subsection (h) the fol-
4 lowing:

5 “(i) USE OF DIGITAL IMPERSONATIONS TO COMMIT
6 FRAUD.—

7 “(1) DEFINITIONS.—In this subsection:

8 “(A) DIGITAL IMPERSONATION.—The term
9 ‘digital impersonation’ means any visual or
10 audio depiction of—

11 “(i) an identifiable individual created
12 through the use of software, machine
13 learning, artificial intelligence, or any other
14 computer-generated or technological
15 means, including by adapting, modifying,
16 manipulating, or altering an authentic vis-
17 ual or audio depiction, that, when viewed
18 or listened to as a whole by a reasonable
19 person, is indistinguishable from an au-
20 thentic visual or audio depiction of the in-
21 dividual; or

22 “(ii) an imaginary individual created
23 through the use of software, machine
24 learning, artificial intelligence, or any other
25 computer-generated or technological

1 means, including by adapting, modifying,
2 manipulating, or altering an authentic vis-
3 ual or audio depiction of an imaginary in-
4 dividual, that, when viewed or listened to
5 as a whole by a reasonable person, is indis-
6 tinguishable from a visual or audio depic-
7 tion of a real individual.

8 “(B) IDENTIFIABLE INDIVIDUAL.—The
9 term ‘identifiable individual’ means an indi-
10 vidual—

11 “(i) who appears in whole or in part,
12 or is heard, in a digital impersonation; and

13 “(ii) whose face, likeness, voice, or
14 other distinguishing characteristic (includ-
15 ing a unique birthmark or other recogniz-
16 able feature) is displayed or heard in con-
17 nection with such digital impersonation.

18 “(2) OFFENSE.—

19 “(A) IN GENERAL.—Subject to subpara-
20 graph (B), it shall be unlawful for a person, in
21 interstate or foreign communications, to falsely
22 pose as an identifiable individual or imaginary
23 individual, in a manner intended to be taken as
24 genuine, in a digital impersonation, with intent

1 to defraud a person of any money, paper, docu-
2 ment, or thing of value.

3 “(B) EXCEPTIONS.—Subparagraph (A)
4 shall not apply to a lawfully authorized inves-
5 tigative, protective, or intelligence activity of—

6 “(i) a law enforcement agency of the
7 United States, a State, or a political sub-
8 division of a State; or

9 “(ii) an intelligence agency of the
10 United States;

11 “(3) PENALTIES.—Any person who violates
12 paragraph (2) shall be fined under title 18, United
13 States Code, imprisoned not more than 3 years, or
14 both.

15 “(4) THREATS.—Any person who intentionally
16 threatens to commit the offense under paragraph (2)
17 for the purpose of intimidation, coercion, extortion,
18 or to create mental distress shall be punished as pro-
19 vided in paragraph (3).

20 “(5) FORFEITURE.—

21 “(A) IN GENERAL.—The court, in impos-
22 ing a sentence on any person convicted of a vio-
23 lation of paragraph (2), shall order, in addition
24 to any other sentence imposed and irrespective
25 of any other sentence imposed and irrespective

1 of any provision of State law, that the person
2 forfeit to the United States—

3 “(i) the person’s interest in property,
4 real or personal, constituting or derived
5 from any gross proceeds of the violation, or
6 any property traceable to such property,
7 obtained or retained directly or indirectly
8 as a result of the violation; and

9 “(ii) any personal property of the per-
10 son used, or intended to be used, in any
11 manner or part, to commit or to facilitate
12 the commission of the violation.

13 “(B) PROCEDURES.—Section 413 of the
14 Controlled Substances Act (21 U.S.C. 853),
15 with the exception of subsections (a) and (d),
16 shall apply to the criminal forfeiture of property
17 under subparagraph (A).

18 “(6) EXTRATERRITORIAL JURISDICTION.—
19 There is extraterritorial Federal jurisdiction over an
20 offense under paragraph (2).”.

21 (b) DEFENSES.—Section 223(e)(1) of the Commu-
22 nications Act of 1934 (47 U.S.C. 223(e)(1)) is amended
23 by striking “or (h)” and inserting “(h), or (i)”.

1 **SEC. 3. PROTECTION AGAINST DIGITAL IMPERSONATION**
2 **FRAUD.**

3 (a) PROHIBITION.—

4 (1) IN GENERAL.—Subject to paragraph (2), it
5 shall be unlawful for a person, in interstate or for-
6 eign commerce, to falsely pose as an identifiable or
7 imaginary individual in a manner intended to be
8 taken as genuine, in a digital impersonation, with in-
9 tent to defraud a person of any money, paper, docu-
10 ment, or thing of value.

11 (2) EXCEPTION.—The prohibition described in
12 paragraph (1) shall not apply to a lawfully author-
13 ized investigative, protective, or intelligence activity
14 of—

15 (A) a law enforcement agency of the
16 United States, a State, or a political subdivision
17 of a State; or

18 (B) an intelligence agency of the United
19 States.

20 (b) ENFORCEMENT BY THE COMMISSION.—

21 (1) UNFAIR OR DECEPTIVE ACTS OR PRAC-
22 TICES.—A violation of subsection (a) shall be treated
23 as a violation of a rule defining an unfair or decep-
24 tive act or practice prescribed under section
25 18(a)(1)(B) of the Federal Trade Commission Act
26 (15 U.S.C. 57a(a)(1)(B)).

1 (2) POWERS OF THE COMMISSION.—

2 (A) IN GENERAL.—The Commission shall
3 enforce this section in the same manner, by the
4 same means, and with the same jurisdiction,
5 powers, and duties as though all applicable
6 terms and provisions of the Federal Trade
7 Commission Act (15 U.S.C. 41 et seq.) were in-
8 corporated into and made a part of this section.

9 (B) PRIVILEGES AND IMMUNITIES.—Any
10 person who violates subsection (a) shall be sub-
11 ject to the penalties and entitled to the privi-
12 leges and immunities provided in the Federal
13 Trade Commission Act (15 U.S.C. 41 et seq.).

14 (C) AUTHORITY PRESERVED.—Nothing in
15 this Act shall be construed to limit the author-
16 ity of the Commission under any other provi-
17 sion of law.

18 (c) DEFINITIONS.—For purposes of this section:

19 (1) COMMISSION.—The term “Commission”
20 means the Federal Trade Commission.

21 (2) DIGITAL IMPERSONATION; IDENTIFIABLE
22 INDIVIDUAL.—The terms “digital impersonation”
23 and “identifiable individual” have the meaning given
24 such terms in section 223(i) of the Communications

1 Act of 1934 (47 U.S.C. 223(i)), as added by section
2 2 of this Act.

3 **SEC. 4. WORKING GROUP ON DIGITAL IMPERSONATION**
4 **FRAUD.**

5 (a) DEFINITIONS.—In this section:

6 (1) APPROPRIATE COMMITTEES OF CON-
7 GRESS.—The term “appropriate committees of Con-
8 gress” means—

9 (A) the Committee on Commerce, Science,
10 and Transportation of the Senate; and

11 (B) the Committee on Science, Space, and
12 Technology of the House of Representatives.

13 (2) DIGITAL FORENSICS.—The term “digital
14 forensics” means scientific or technical practices
15 used to recognize, collect, analyze, or interpret dig-
16 ital evidence for the purposes of investigating crimes
17 or other incidents, including the use of digital imper-
18 sonation to commit fraud.

19 (3) DIGITAL IMPERSONATION.—The term “dig-
20 ital impersonation” has the meaning given that term
21 in section 223(i) of the Communications Act of 1934
22 (47 U.S.C. 223(i)), as added by section 2 of this
23 Act.

1 (4) DIRECTOR.—The term “Director” means
2 the Director of the National Institute of Standards
3 and Technology.

4 (b) ESTABLISHMENT OF WORKING GROUP.—

5 (1) IN GENERAL.—Not later than 30 days after
6 the date of the enactment of this Act, the Secretary
7 of Commerce, acting through the Director, shall con-
8 vene a working group (referred to in this section as
9 the “Working Group”) to engage in technical discus-
10 sions and research for the development of best prac-
11 tices and recommendations for the recognition, de-
12 tection, prevention, and tracing of digital imperson-
13 ations used in violation of section 223(i) of the Com-
14 munications Act of 1934 (47 U.S.C. 223(i)), as
15 amended by section 2 of this Act, and section 3(a)
16 of this Act.

17 (2) COMPOSITION.—The Working Group shall
18 consist of—

19 (A) representatives from—

20 (i) the Department of Justice;

21 (ii) the Federal Trade Commission;

22 (iii) Federal, State, and local govern-
23 ment law enforcement agencies; and

24 (iv) private sector industries, includ-
25 ing—

- 1 (I) financial services;
2 (II) health care;
3 (III) retail and e-commerce;
4 (IV) telecommunications; and
5 (V) digital platforms, including
6 social media platforms; and

7 (B) scientists and engineers with expertise
8 in—

- 9 (i) digital forensics; and
10 (ii) artificial intelligence, including the
11 generation or detection of digital imperson-
12 ations.

13 (c) PUBLIC WORKSHOP.—The Director shall—

14 (1) convene not less than 1 public workshop to
15 solicit input from stakeholders on the best practices
16 and recommendations developed under subsection
17 (b)(1); and

18 (2) incorporate such input into the best prac-
19 tices and recommendations as the Director considers
20 appropriate.

21 (d) PUBLICATION OF BEST PRACTICES AND REC-
22 OMMENDATIONS.—Not later than 1 year after the date of
23 the enactment of this Act, the Director shall publish on
24 a publicly accessible website of the National Institute of
25 Standards and Technology a report that contains the best

1 practices and recommendations developed pursuant to
2 subsection (b)(1) and modified under subsection (e)(2).

3 (e) ANNUAL REVIEW AND UPDATES.—Not later than
4 2 years after the date of the enactment of this Act, and
5 not less frequently than once each year thereafter, the Di-
6 rector shall—

7 (1) review the best practices and recommenda-
8 tions developed under this section; and

9 (2) update the best practices and recommenda-
10 tions published under subsection (d) as the Director
11 considers appropriate pursuant to the most recent
12 review conducted pursuant to paragraph (1) of this
13 subsection.

14 (f) REPORT TO CONGRESS.—Not later than 1 year
15 after the date of the enactment of this Act, and annually
16 thereafter, the Director shall submit to the appropriate
17 committees of Congress a report that summarizes—

18 (1) the meetings and collaboration of the Work-
19 ing Group during the year preceding the submission
20 of the report; and

21 (2) the work planned by the Working Group for
22 the year following the submission of the report.

23 (g) SUNSET.—The requirements of this section shall
24 terminate on the date that is 10 years after the date of
25 the enactment of this Act.

1 **SEC. 5. COOPERATION WITH FOREIGN LAW ENFORCEMENT**
2 **AGENCIES.**

3 (a) LIST OF COUNTRIES WITH HIGHEST OCCUR-
4 RENCE OF VIOLATIONS.—Not later than 90 days after the
5 date of enactment of this section, the Federal Trade Com-
6 mission (in this section referred to as the “Commission”),
7 in consultation with the Attorney General and the Sec-
8 retary of State, shall identify a list of the top 10 foreign
9 countries where the highest occurrence of violations of sec-
10 tion 2 or 3 originate and harm individuals located in the
11 United States or a territory thereof.

12 (b) FTC INTERNATIONAL AGREEMENTS.—

13 (1) IN GENERAL.—Using the list of foreign
14 countries identified under subsection (a), the Com-
15 mission, in coordination with the Secretary of State,
16 may enter into agreements with such foreign coun-
17 tries to ensure the cooperation of any foreign law en-
18 forcement agency in the Commission’s enforcement
19 of this Act.

20 (2) REQUIREMENTS.—Any agreement entered
21 into by the Commission under paragraph (1) shall
22 be subject to the requirements described in section
23 6(j)(4) of the Federal Trade Commission Act (15
24 U.S.C. 46(j)(4)).

25 (3) REPORT TO CONGRESS.—Not later than 1
26 year after the date of enactment of this section, and

1 annually thereafter, the Commission shall submit to
2 the Committee on Commerce, Science, and Trans-
3 portation of the Senate and the Committee on En-
4 ergy and Commerce of the House of Representatives
5 a report on the implementation of this subsection
6 during the reporting period, including—

7 (A) any new agreements with foreign coun-
8 tries (as described in paragraph (1)) entered
9 into during such period;

10 (B) any negotiations regarding new agree-
11 ments or modifications to agreements with for-
12 eign countries during such period;

13 (C) a description of the Commission's co-
14 ordination with foreign law enforcement agen-
15 cies to enforce alleged violations of section 3;
16 and

17 (D) any challenges with cooperation of for-
18 eign law enforcement agencies (including with
19 respect to foreign countries without an agree-
20 ment under paragraph (1)) in the enforcement
21 of section 3.

22 (c) DOJ REVIEW OF INTERNATIONAL LAW EN-
23 FORCEMENT AGENCY AGREEMENTS.—

24 (1) IN GENERAL.—Not later than 1 year after
25 the date of enactment of this section, and not less

1 frequently than every 5 years thereafter, the Attor-
2 ney General shall review and, as necessary and con-
3 sistent with authorities under applicable law, modify
4 international agreements with foreign law enforce-
5 ment agencies in foreign countries identified under
6 subsection (a) to encourage assistance with the en-
7 forcement of violations of section 223(i) of the Com-
8 munications Act of 1934, as added by section 2 of
9 this Act, that originate outside the United States.

10 (2) REPORT.—Not later than 1 year after the
11 date of enactment of this section, and every 5 years
12 thereafter, the Attorney General shall submit to the
13 Committee on Commerce, Science, and Transpor-
14 tation of the Senate, the Committee on the Judiciary
15 of the Senate, the Committee on Energy and Com-
16 merce of the House of Representatives, and the
17 Committee on the Judiciary of the House of Rep-
18 resentatives a report that includes—

19 (A) an analysis of the review conducted
20 under paragraph (1);

21 (B) a description of any modifications to
22 international agreements described in para-
23 graph (1) pursued by the Attorney General; and

24 (C) recommendations to strengthen the en-
25 forcement of violations of section 223(i) of the

1 Communications Act of 1934, as added by sec-
2 tion 2 of this Act, that—

3 (i) originate outside the United
4 States; and

5 (ii) harm United States persons lo-
6 cated in the United States.

7 **SEC. 6. SAVINGS CLAUSE.**

8 Nothing in this Act shall be construed to restrict par-
9 ody, satire, journalism, or any other rights, privileges, or
10 immunities protected by the First Amendment to the Con-
11 stitution of the United States.

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