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S. 490

To provide that unauthorized access to the central payment systems of the Bureau of the Fiscal Service is unlawful.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (legislative day, FEBRUARY 5), 2025

Mr. SCHUMER (for himself, Mr. WYDEN, Ms. WARREN, Mr. PETERS, Mrs. MURRAY, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To provide that unauthorized access to the central payment systems of the Bureau of the Fiscal Service is unlawful.

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 ''Protecting Americans' Privacy Act of 2025''.

SEC. 2. UNAUTHORIZED ACCESS TO THE CENTRAL PAYMENT SYSTEMS OF THE BUREAU OF THE FISCAL SERVICE.

(a) PROHIBITIONS.—

(1) IN GENERAL.—It shall be unlawful for an individual to knowingly access or exercise administrative control over any public money receipt or payment system of the Department of the Treasury (including any payment system of the Bureau of the Fiscal Service (or any successor thereof)) if the individual—

(A) is not—

(i) a Federal employee; or

(ii) a Federal contractor whose current continuous service in a position on an agency's contract, as of the date of such access, is for a period of at least 1 year;

(B) is a Federal employee—

(i) who is employed as the chief executive officer, chief financial officer, chief operating officer, or a position of similar stature at a covered entity;

(ii) who serves on the Board of Directors of a covered entity;

(iii) who has control over a covered entity; or

(iv) whose current continuous service in a position in the civil service (as that term is defined in section 2101 of title 5, United States Code), as of the date of such access, is for a period of less than 1 year; or

(C) is a covered employee who—

(i) has a conflict of interest as described in section 208 of title 18, United States Code, with respect to such central payment system, or

(ii) has not signed a written ethics agreement with either the covered employee's respective agency or the Office of Government Ethics.

(2) FACILITATION OF ACCESS.—It shall be unlawful for an individual to facilitate access to or the exercise of administrative control over any such public money receipt or payment system, or to knowingly permit such access or exercise of control, which such individual knows or should know is in violation of paragraph (1).

(b) ENFORCEMENT BY INDIVIDUALS.—

(1) IN GENERAL.—Any persons harmed by a violation of subsection (a) may file a civil action in any district court of the United States or State court of general jurisdiction to recover from the indi-

vidual who engaged in the violation appropriate relief described in paragraph (2).

(2) RELIEF.—In an action under this subsection, appropriate relief includes—

(A) preliminary and other equitable or declaratory relief, as appropriate;

(B) damages as described in paragraph (3);

(C) punitive damages, as appropriate; and

(D) reasonable attorney's fees and other reasonable litigation costs.

(3) DAMAGES.—In an action under this subsection, a court may assess as damages an amount equal to the greater of—

(A) the sum of the actual damages suffered by the plaintiff; or

(B) $250,000 for each unauthorized access relating to the plaintiff.

(4) JOINT AND SEVERAL LIABILITY.—Any individual who violates subsection (a)(1) and any individual who violates subsection (a)(2) shall be jointly and severally liable to the extent such violations relate to the same access.

(c) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency''—

(A) has the meaning given the term ''Executive agency'' in section 105 of title 5, United States Code; and

(B) includes each component of the Executive Office of the President, including each such component established under title 3, United States Code.

(2) CONTROL.—The term ''control'' means, with respect to an entity—

(A) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of the entity;

(B) control over the election of a majority of the directors of the entity (or of individuals exercising similar functions); or

(C) the power to exercise a controlling influence over the management of the entity.

(3) COVERED EMPLOYEE.—The term ''covered employee'' includes the following individuals:

(A) Each individual who is—

(i) a noncareer employee; and

(ii) described in any of paragraphs (3) through (8) of section 13103(f) of title 5, United States Code.

(B) Each individual serving in a position with respect to which a determination has been made under section 7511(b)(2) of title 5, United States Code.

(C) Each special Government employee, as defined in section 202(a) of title 18, United States Code.

(4) COVERED ENTITY.—The term ''covered entity'' means a corporation (and the subsidiaries it controls), company, association, firm, partnership, society, joint stock company, or any other organization or institution, including an organization described in section 501(c) of the Internal Revenue Code.

(5) FEDERAL CONTRACTOR.—The term ''Federal contractor'' means an individual, other than a Federal employee, working under a contract with an agency.

(6) FEDERAL EMPLOYEE.—The term ''Federal employee'' means an individual employed by or holding office in an agency.

(7) NONCAREER EMPLOYEE.—The term ''noncareer employee'' means an individual who is—

(A) serving in a position to which the President appointed the individual (without regard to whether the advice and consent of the Senate was required with respect to that appointment), other than an individual who is—

(i) a member of a uniformed service, as that term is defined in section 210(m) of the Social Security Act (42 U.S.C. 410(m)); or

(ii) a member of the Foreign Service serving under a career appointment, as described in section 301 of the Foreign Service Act of 1980 (22 U.S.C. 3941);

(B) a noncareer appointee, as that term is defined in section 3132(a) of title 5, United States Code;

(C) serving in a position in a Federal executive system (other than the Senior Executive Service established under subchapter II of chapter 31 of title 5, United States Code), if appointment to the position is not made through merit-based procedures; or

(D) serving in a position with respect to which a determination has been made under section 7511(b)(2) of title 5, United States Code.

(d) NO INFERENCE.—Nothing in this section shall be construed as creating any inference as to whether any act which occurred prior to the enactment of this Act was lawful or otherwise permitted.

SEC. 3. CONFIDENTIALITY OF RETURNS AND RETURN INFORMATION UNDER INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Section 6103 of the Internal Revenue Code of 1986 is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) PROHIBITION ON DISCLOSURE TO CERTAIN EMPLOYEES.—Notwithstanding any other provision of this section, no return or return information shall be disclosed by means of access to any public money receipt or payment system of the Department of the Treasury (including any payment system of the Bureau of the Fiscal Service (or any successor thereof)) to any individual described in subparagraph (B) or (C) of section 2(a)(1) of the Protecting Americans' Privacy Act of 2025.".

(b) CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE.—

(1) IN GENERAL.—Subsection (a) of section 7431 of the Internal Revenue Code of 1986 is

amended by adding at the end the following new paragraph:

"(3) INSPECTION OR DISCLOSURE BY CERTAIN EMPLOYEES.—If any individual described in subparagraph (B) or (C) of section 2(a)(1) of the Protecting Americans' Privacy Act of 2025 knowingly, or by reason of negligence, inspects or discloses any return or return information with respect to a taxpayer in violation of section 6103(q), such taxpayer may bring a civil action for damages against such person in a district court of the United States. In any action brought under this paragraph, subsection (c)(1)(A) shall be applied by substituting '$250,000' for '$1,000'.".

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 7431(a) of such Code is amended by striking "If any" in paragraph (1) and inserting "Except as provided in paragraph (3), if any".

(c) NO INFERENCE.—Nothing in the amendments made by this section shall be construed as creating any inference as to whether any disclosure or inspection prior to the enactment of this Act was lawful or permitted by section 6103 of the Internal Revenue Code of 1986.

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