117TH CONGRESS 1ST SESSION

H. R. _____

To require the Director of the Financial Crimes Enforcement Network to produce and distribute educational materials designed to help Federal, State, local and Tribal agencies responsible for distributing public benefits to understand, identify, and avoid fraud, particularly fraud that includes that involves terrorist financing schemes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. ______ introduced the following bill; which was referred to the Committee on ________

A BILL

To require the Director of the Financial Crimes Enforcement Network to produce and distribute educational materials designed to help Federal, State, local and Tribal agencies responsible for distributing public benefits to understand, identify, and avoid fraud, particularly fraud that includes that involves terrorist financing schemes, 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,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Fraud and Terrorism Education Act”.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Terrorists, including domestic extremists, use a variety of avenues to finance radicalization, recruitment, training, and operations.

(2) A report issued by the Royal United Services Institute for Defense and Security Studies (RUSI) in January 2021 confirmed that fraud is used by extremist actors as an avenue for financing radicalization, recruitment, training, and operations.

(3) There are many types of fraud used by bad actors to finance activities. For example, public benefits fraud is common and may be used by bad actors. The State of Washington lost $600 million to fraudulent unemployment claims in the spring of 2020 and there are cases of foreign-inspired terrorism supporters using benefits fraud to finance activities.

(4) If States better understand the use of fraud in national security or terrorism cases, learn how to recognize potential incidents tied to terrorism, and know where to swiftly report such fraud, it may be possible for the appropriate authorities to respond
more quickly and to prevent domestic terrorism and extremism.

SEC. 3. EDUCATIONAL MATERIALS.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this section, the Director of the Financial Crimes Enforcement Network (in this section referred to as the “Director”) shall produce educational materials designed to help Federal, State, local and Tribal agencies responsible for distributing public benefits to—

(1) better understanding the national-security implications of some fraud cases; and

(2) identify and avoid fraud, particularly fraud that involves terrorist financing schemes.

(b) CONTENTS OF EDUCATIONAL MATERIALS.—The educational materials produced by the Director pursuant to subsection (a) shall include information about—

(1) the ways in which terrorists, including domestic extremists, use fraud to finance their activities, including radicalization, recruitment, training, and operations;

(2) how to identify terrorist financing vulnerabilities in public benefits programs;

(3) tools, techniques, and red flags that can help identify fraud cases with a national security
nexus, including Internet Protocol address monitoring and the use of geolocation tools; and

(4) how to report fraud cases which may involve terrorism financing schemes to the appropriate federal authorities.

(c) CONSULTATION.—The Director shall consult with the Director of the Bureau of Consumer Financial Protection, the Director of the Federal Bureau of Investigation, State law enforcement agencies, and other Federal agencies as the Director determines appropriate when producing educational materials pursuant to subsection (a).

(d) DISTRIBUTION.—The Director shall distribute the educational materials produced pursuant to subsection (a) to Federal, State, local and Tribal agencies responsible for distributing public benefits, as determined by the Director.