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S. 3042

To protect citizens against becoming victims of Internet fraud, to provide stiff penalties against those who target senior citizens, and to educate senior citizens on how to avoid being victimized by Internet or telemarketing fraud.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 13, 2000

Mr. ASHCROFT introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To protect citizens against becoming victims of Internet fraud, to provide stiff penalties against those who target senior citizens, and to educate senior citizens on how to avoid being victimized by Internet or telemarketing fraud.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **TITLE I—AN ACT TO PREVENT**
2 **INTERNET FRAUD AND**
3 **FRAUD AGAINST THE ELDER-**
4 **LY**

5 **SEC. 101. SHORT TITLE.**

6 This title may be cited as “An Act to Prevent Inter-
7 net Fraud and Fraud Against the Elderly”.

8 **SEC. 102. PURPOSE.**

9 It is the purpose of this title to protect citizens
10 against becoming victims of Internet fraud, to provide stiff
11 penalties against those who target senior citizens, and to
12 educate senior citizens on how to avoid being victimized
13 by Internet or telemarketing fraud.

14 **SEC. 103. EDUCATION.**

15 (a) **IN GENERAL.**—The Federal Trade Commission
16 shall publicly disseminate in each State information de-
17 signed to educate senior citizens and raise awareness
18 about the dangers of telemarketing fraud and fraud over
19 the Internet.

20 (b) **EDUCATION.**—Carrying out subsection (a), the
21 Commission shall—

22 (1) inform senior citizens of the prevalence of
23 Internet and telemarketing fraud targeted against
24 them;

1 (2) inform senior citizens how to identify Inter-
2 net and telemarketing fraud;

3 (3) educate senior citizens how to protect them-
4 selves against Internet and telemarketing fraud, in-
5 cluding an explanation of the dangers of providing
6 bank account, credit card, or other financial or per-
7 sonal information over the telephone to unsolicited
8 callers;

9 (4) educate senior citizens how to report sus-
10 pected attempts at Internet or telemarketing fraud
11 to a law enforcement agency;

12 (5) educate senior citizens of their consumer
13 protection rights under Federal law; and

14 (6) provide any other information as the Com-
15 mission considers necessary to protect senior citizens
16 against Internet or telemarketing fraud.

17 **SEC. 104. DEFINITION.**

18 For purposes of this title, the term “State” includes
19 the District of Columbia, the Commonwealth of Puerto
20 Rico, Guam, the Virgin Islands, American Samoa, and the
21 Commonwealth of the Northern Mariana Islands.

1 **TITLE II—TELEMARKETING**
 2 **FRAUD OVER THE INTERNET**

3 **SEC. 201. EXTENSION OF CRIMINAL FRAUD STATUTE TO**
 4 **INTERNET.**

5 (a) EXTENSION.—Section 1343 of title 18, United
 6 States Code, is amended by—

7 (1) by inserting “(a)” before “Whoever”;

8 (2) in subsection (a), as so designated, by strik-
 9 ing “or television communication” and inserting
 10 “television, or Internet communication”; and

11 (3) by adding at the end thereof the following:

12 “(b) For purposes of this section, the term ‘Internet’
 13 means collectively the myriad of computer and tele-
 14 communications facilities, including equipment and oper-
 15 ating software, which comprise the interconnected world-
 16 wide network of networks that employ the Transmission
 17 Control Protocol/Internet Protocol, or any predecessor or
 18 successor protocols to such protocol, to communicate in-
 19 formation of all kinds by wire or radio.”.

20 (b) CONFORMING AND CLERICAL AMENDMENTS.—

21 (1) The section heading of such section is
 22 amended to read as follows:

23 **“§ 1343. Fraud by wire, radio, television, or Internet”.**

24 (2) The table of sections at the beginning of
 25 chapter 63 of that title is amended by striking the

1 item relating to section 1343 and inserting the fol-
2 lowing new item:

“1343. Fraud by wire, radio, television, or Internet.”.

3 **SEC. 202. FEDERAL TRADE COMMISSION SANCTIONS.**

4 (a) RULEMAKING TO APPLY SANCTIONS.—The Fed-
5 eral Trade Commission shall initiate a rulemaking pro-
6 ceeding to set forth the application of section 5 of the Fed-
7 eral Trade Commission Act (15 U.S.C. 45), and other
8 statutory provisions within its jurisdiction, to deceptive
9 acts or practices in or affecting the commerce of the
10 United States in connection with the promotion, advertise-
11 ment, offering for sale, or sale of goods or services through
12 use of the Internet.

13 (b) INTERNET DEFINED.—In this section, the term
14 “Internet” means collectively the myriad of computer and
15 telecommunications facilities, including equipment and op-
16 erating software, which comprise the interconnected
17 world-wide network of networks that employ the Trans-
18 mission Control Protocol/Internet Protocol, or any prede-
19 cessor or successor protocols to such protocol, to commu-
20 nicate information of all kinds by wire or radio.

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