

April 13, 2026

Dear Members of Congress:

The American Bankers Association (ABA) and the 52 state bankers associations write to express our strong support for the *Safeguarding Consumers from Advertising Misconduct Act* (the SCAM Act, S. 3774 and H.R. 7548). This legislation addresses a critical and escalating threat to consumers, the economy, and the integrity of digital commerce: the widespread dissemination of fraudulent and deceptive paid advertisements through online platforms.

Banks nationwide, including institutions deeply embedded in local communities, play a central role in protecting consumers from fraud and scams. Financial institutions invest substantial resources in transaction monitoring, customer education, reimbursement obligations, and coordination with law enforcement and regulatory agencies. Even with these safeguards in place, criminals increasingly rely on fraudulent or misleading paid advertisements to impersonate trusted financial institutions and induce consumers to divulge sensitive information and authorize fraudulent transactions. These advertisements often appear legitimate and are difficult for consumers to distinguish from authentic communications.

Fraud imposes severe financial and emotional costs on households and consumers across the country. Scam advertisements—particularly impersonation schemes, fake financial offers, and artificial intelligence enabled fraud—cause hundreds of billions in consumer fraud losses and erode trust in our nation’s banks and other financial institutions.

Scam prevention must begin earlier in the fraud lifecycle, at the point where deceptive advertisements are created, placed, and monetized. By targeting misconduct on the platforms that display the fraudulent content, the SCAM Act would help reduce consumer fraud losses. Early intervention is essential to limiting consumer fraud losses and downstream compliance and remediation costs, and it is a critical complement to the extensive anti-fraud obligations that banks carry under federal and state law.

The SCAM Act would combat fraudulent online advertisements by requiring online platforms to implement procedures to verify the identity of the advertiser before placing the advertisement. Platforms must also implement a program to detect impersonation on their site. If an individual, business, or government agency reports a fraudulent or deceptive advertisement, the platform must investigate the advertisement within 72 hours and, within 24 hours of completing the investigation, notify the reporter of the outcome of that investigation.

We also support the bill’s focus on interagency coordination to combat advertising-based scams. Banks work with state attorneys general, financial regulators, and law enforcement to respond to fraud trends affecting local communities, and clear federal authority and coordination are essential to ensuring these efforts are effective and consistent across jurisdictions.

Scams disproportionately affect older Americans and consumers in rural and underserved areas, where financial losses and erosion of trust can be especially difficult to recover. By addressing a key entry point for fraudulent schemes, the SCAM Act would enhance consumer protection, support the integrity of the financial system, and deter bad actors who exploit digital advertising platforms.

Paid advertisements are not neutral or passive user content. They are commercial products that platforms actively curate, target, and monetize. Platforms that profit from advertising should bear responsibility for preventing the dissemination of fraudulent paid ads.

We encourage all members of Congress to cosponsor the SCAM Act and urge Congress to advance this critically important legislation without delay.

Sincerely,

American Bankers Association  
Alabama Bankers Association  
Alaska Bankers Association  
Arizona Bankers Association  
Arkansas Bankers Association  
California Bankers Association  
Colorado Bankers Association  
Connecticut Bankers Association  
DC Bankers Association  
Delaware Bankers Association  
Florida Bankers Association  
Georgia Bankers Association  
Hawaii Bankers Association  
Idaho Bankers Association  
Illinois Bankers Association  
Indiana Bankers Association  
Iowa Bankers Association  
Kansas Bankers Association  
Kentucky Bankers Association  
Louisiana Bankers Association  
Maine Bankers Association  
Maryland Bankers Association  
Massachusetts Bankers Association  
Michigan Bankers Association  
Minnesota Bankers Association  
Mississippi Bankers Association  
Missouri Bankers Association

Montana Bankers Association  
Nebraska Bankers Association  
Nevada Bankers Association  
New Hampshire Bankers Association  
New Jersey Bankers Association  
New Mexico Bankers Association  
New York Bankers Association  
North Carolina Bankers Association  
North Dakota Bankers Association  
Ohio Bankers League  
Oklahoma Bankers Association  
Oregon Bankers Association  
Pennsylvania Bankers Association  
Puerto Rico Bankers Association  
Rhode Island Bankers Association  
South Carolina Bankers Association  
South Dakota Bankers Association  
Tennessee Bankers Association  
Texas Bankers Association  
Utah Bankers Association  
Vermont Bankers Association  
Virginia Bankers Association  
Washington Bankers Association  
West Virginia Bankers Association  
Wisconsin Bankers Association  
Wyoming Bankers Association