

115TH CONGRESS
2D SESSION

H. R. 4768

To require the President to develop a national strategy to combat the financial networks of transnational organized criminals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 2018

Mr. KUSTOFF of Tennessee (for himself and Ms. SINEMA) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the President to develop a national strategy to combat the financial networks of transnational organized criminals, 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 “National Strategy for
5 Combating the Financing of Transnational Criminal Or-
6 ganizations Act”.

7 **SEC. 2. NATIONAL STRATEGY.**

8 (a) IN GENERAL.—The President, acting through the
9 Secretary of the Treasury, shall, in consultation with the
10 Attorney General, the Secretary of State, the Secretary

1 of Homeland Security, the Director of National Intel-
2 ligence, the Secretary of Defense, the Director of the Drug
3 Enforcement Administration, the Commissioner of Cus-
4 toms and Border Protection, the Director of the Office
5 of National Drug Control Policy, and the Federal func-
6 tional regulators, develop a national strategy to combat
7 the financial networks of transnational organized crimi-
8 nals.

9 (b) TRANSMITTAL TO CONGRESS.—

10 (1) IN GENERAL.—Not later than one year
11 after the enactment of this Act, the President shall
12 submit to the appropriate Congressional committees
13 and make available to the relevant government agen-
14 cies as defined in subsection (a), a comprehensive
15 national strategy in accordance with subsection (a).

16 (2) UPDATES.—After the initial submission of
17 the national strategy under paragraph (1), the
18 President shall, not less often than every 2 years,
19 update the national strategy and submit the updated
20 strategy to the appropriate Congressional commit-
21 tees.

22 (c) SEPARATE PRESENTATION OF CLASSIFIED MA-
23 TERIAL.—Any part of the national strategy that involves
24 information that is properly classified under criteria estab-
25 lished by the President shall be submitted to Congress sep-

1 arately in a classified annex and, if requested by the chair-
2 man or ranking member of one of the appropriate Con-
3 gressional committees, as a briefing at an appropriate level
4 of security.

5 **SEC. 3. CONTENTS OF NATIONAL STRATEGY.**

6 The national strategy described in section 2 shall con-
7 tain the following:

8 (1) **THREATS.**—An identification and assess-
9 ment of the most significant current transnational
10 organized crime threats posed to the national secu-
11 rity of the United States, including drug and human
12 trafficking organizations, cyber criminals, and other
13 relevant entities, including those identified in the
14 President’s “Strategy to Combat Transnational Or-
15 ganized Crime” (published July 2011).

16 (2) **ILLICIT FINANCE.**—(A) An identification of
17 individuals, entities, and networks that provide fi-
18 nancial support or financial facilitation to
19 transnational organized crime groups, and an assess-
20 ment of the scope and role of those providing finan-
21 cial support to transnational organized crime groups.

22 (B) An assessment of methods by which
23 transnational organized crime groups launder illicit
24 proceeds, including trade-based money laundering,
25 bulk cash smuggling, exploitation of shell companies,

1 and misuse of digital currencies and other cyber
2 technologies, as well as an assessment of the risk to
3 the financial system of the United States of such
4 methods.

5 (3) GOALS, OBJECTIVES, PRIORITIES, AND AC-
6 TIONS.—(A) A comprehensive, research-based, quan-
7 tifiable discussion of short-term and long-term goals,
8 objectives, priorities, and actions, listed for each de-
9 partment and agency described under section 2(a),
10 for combating the financing of transnational orga-
11 nized crime groups and their facilitators.

12 (B) A description of how the strategy is inte-
13 grated into, and supports, the national security
14 strategy, drug control strategy, and counterterrorism
15 strategy of the United States.

16 (4) REVIEWS AND PROPOSED CHANGES.—A re-
17 view of current efforts to combat the financing or fi-
18 nancial facilitation of transnational organized crime,
19 including efforts to detect, deter, disrupt, and pros-
20 ecute transnational organized crime groups and their
21 supporters, and, if appropriate, proposed changes to
22 any law or regulation determined to be appropriate
23 to ensure that the United States pursues coordi-
24 nated and effective efforts within the jurisdiction of
25 the United States, including efforts or actions that

1 are being taken or can be taken by financial institu-
2 tions, efforts in cooperation with international part-
3 ners of the United States, and efforts that build
4 partnerships and global capacity to combat
5 transnational organized crime.

6 **SEC. 4. DEFINITIONS.**

7 In this Act:

8 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
9 **TEES.**—The term “appropriate congressional com-
10 mittees” means—

11 (A) the Committee on Financial Services,
12 the Committee on Foreign Affairs, the Com-
13 mittee on Armed Services, the Committee on
14 the Judiciary, the Committee on Homeland Se-
15 curity, and the Permanent Select Committee on
16 Intelligence of the House of Representatives;
17 and

18 (B) the Committee on Banking, Housing,
19 and Urban Affairs, the Committee on Foreign
20 Relations, the Committee on Armed Services,
21 the Committee on the Judiciary, the Committee
22 on Homeland Security and Governmental Af-
23 fairs, and the Select Committee on Intelligence
24 of the Senate.

1 (2) FEDERAL FUNCTIONAL REGULATOR.—The
2 term “Federal functional regulator” has the mean-
3 ing given that term in section 509 of the Gramm-
4 Leach-Bliley Act (15 U.S.C. 6809).

5 (3) TRANSNATIONAL ORGANIZED CRIME.—The
6 term “transnational organized crime” refers to those
7 self-perpetuating associations of individuals who op-
8 erate transnationally for the purpose of obtaining
9 power, influence, monetary or commercial gains,
10 wholly or in part by illegal means, while—

11 (A) protecting their activities through a
12 pattern of corruption or violence; or

13 (B) while protecting their illegal activities
14 through a transnational organizational struc-
15 ture and the exploitation of transnational com-
16 merce or communication mechanisms.

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