

[DISCUSSION DRAFT]

116TH CONGRESS
2^D SESSION

H. R. _____

To require the Comptroller General of the United States to carry out a study on trafficking, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MCADAMS (for himself and Mr. GONZALEZ of Ohio) introduced the following bill; which was referred to the Committee on

A BILL

To require the Comptroller General of the United States to carry out a study on trafficking, 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 “Stopping Trafficking,
5 Illicit Flows, Laundering, and Exploitation Act of 2020”
6 or the “STIFLE Act of 2020”.

7 **SEC. 2. FINDINGS.**

8 The Congress finds the following:

1 (1) Trafficking is a national-security threat and
2 an economic drain of our resources.

3 (2) As the U.S. Department of the Treasury's
4 recently released "2020 National Strategy for Com-
5 bating Terrorist and Other Illicit Financing" con-
6 cludes, "While money laundering, terrorism financ-
7 ing, and WMD proliferation financing differ quali-
8 tatively and quantitatively, the illicit actors engaging
9 in these activities can exploit the same vulnerabilities
10 and financial channels."

11 (3) Among those are bad actors engaged in
12 trafficking, whether they trade in drugs, arms, cul-
13 tural property, wildlife, natural resources, counter-
14 feit goods, organs, or, even, other humans.

15 (4) Their illegal (or "dark") markets use simi-
16 lar and sometimes related or overlapping methods
17 and means to acquire, move, and profit from their
18 crimes.

19 (5) In a March 2017, report from Global Fi-
20 nancial Integrity, "Transnational Crime and the De-
21 veloping World", the global business of transnational
22 crime was valued at \$1.6 trillion to \$2.2 trillion an-
23 nually, resulting in crime, violence, terrorism, insta-
24 bility, corruption, and lost tax revenues worldwide.

1 **SEC. 3. GAO STUDY.**

2 (a) STUDY.—The Comptroller General of the United
3 States shall carry out a study on—

4 (1) the major trafficking routes used by
5 transnational criminal organizations, terrorists, and
6 others, and to what extent the trafficking routes for
7 people (including children), drugs, weapons, cash,
8 child sexual exploitation materials, or other illicit
9 goods are similar, related, or cooperative;

10 (2) commonly used methods to launder and
11 move the proceeds of trafficking;

12 (3) the types of suspicious financial activity
13 that are associated with illicit trafficking networks,
14 and how financial institutions identify and report
15 such activity;

16 (4) the tools, guidance, training, partnerships,
17 supervision, or other mechanisms that Federal agen-
18 cies, including the Department of the Treasury's Fi-
19 nancial Crimes Enforcement Network, the Federal
20 financial regulators, and law enforcement, provide to
21 help financial institutions identify techniques and
22 patterns of transactions that may involve the pro-
23 ceeds of trafficking;

24 (5) what steps financial institutions are taking
25 to detect and prevent bad actors who are laundering
26 the proceeds of illicit trafficking, including data

1 analysis, policies, training procedures, rules, and
2 guidance;

3 (6) what role gatekeepers, such as lawyers, no-
4 taries, accountants, investment advisors, logistics
5 agents, and trust and company service providers,
6 play in facilitating trafficking networks and the
7 laundering of illicit proceeds; and

8 (7) the role that emerging technologies, includ-
9 ing artificial intelligence, digital identity tech-
10 nologies, blockchain technologies, virtual assets, and
11 related exchanges and online marketplaces, and
12 other innovative technologies, can play in both as-
13 sisting with and potentially enabling the laundering
14 of proceeds from trafficking.

15 (b) REPORT.—Not later than the end of the 12-
16 month period beginning on the date of the enactment of
17 this Act, the Comptroller General shall issue a report to
18 the Congress containing—

19 (1) all findings and determinations made in car-
20 rying out the study required under subsection (a);
21 and

22 (2) recommendations for any legislative or regu-
23 latory changes necessary to combat trafficking or
24 the laundering of proceeds from trafficking.