[DISCUSSION DRAFT]

116TH CONGRESS
2D 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.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Stopping Trafficking, Illicit Flows, Laundering, and Exploitation Act of 2020” or the “STIFLE Act of 2020”.

SEC. 2. FINDINGS.

The Congress finds the following:
(1) Trafficking is a national-security threat and an economic drain of our resources.

(2) As the U.S. Department of the Treasury’s recently released “2020 National Strategy for Combating Terrorist and Other Illicit Financing” concludes, “While money laundering, terrorism financing, and WMD proliferation financing differ qualitatively and quantitatively, the illicit actors engaging in these activities can exploit the same vulnerabilities and financial channels.”

(3) Among those are bad actors engaged in trafficking, whether they trade in drugs, arms, cultural property, wildlife, natural resources, counterfeit goods, organs, or, even, other humans.

(4) Their illegal (or “dark”) markets use similar and sometimes related or overlapping methods and means to acquire, move, and profit from their crimes.

(5) In a March 2017, report from Global Financial Integrity, “Transnational Crime and the Developing World”, the global business of transnational crime was valued at $1.6 trillion to $2.2 trillion annually, resulting in crime, violence, terrorism, instability, corruption, and lost tax revenues worldwide.
SEC. 3. GAO STUDY.

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

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

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

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

(4) the tools, guidance, training, partnerships, supervision, or other mechanisms that Federal agencies, including the Department of the Treasury’s Financial Crimes Enforcement Network, the Federal financial regulators, and law enforcement, provide to help financial institutions identify techniques and patterns of transactions that may involve the proceeds of trafficking;

(5) what steps financial institutions are taking to detect and prevent bad actors who are laundering the proceeds of illicit trafficking, including data
analysis, policies, training procedures, rules, and guidance;

(6) what role gatekeepers, such as lawyers, notaries, accountants, investment advisors, logistics agents, and trust and company service providers, play in facilitating trafficking networks and the laundering of illicit proceeds; and

(7) the role that emerging technologies, including artificial intelligence, digital identity technologies, blockchain technologies, virtual assets, and related exchanges and online marketplaces, and other innovative technologies, can play in both assisting with and potentially enabling the laundering of proceeds from trafficking.

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

(1) all findings and determinations made in carrying out the study required under subsection (a); and

(2) recommendations for any legislative or regulatory changes necessary to combat trafficking or the laundering of proceeds from trafficking.