

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

To establish the OFAC Exchange within the Office of Foreign Assets Control at the Department of the Treasury, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To establish the OFAC Exchange within the Office of Foreign Assets Control at the Department of the Treasury, 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. OFAC EXCHANGE.**

4 Section 312 of title 31, United States Code, is
5 amended by adding at the end the following::

6 “(g) OFAC EXCHANGE.—

7 “(1) ESTABLISHMENT.—The OFAC Exchange

8 is hereby established within OFAC.

1 “(2) PURPOSE.—The OFAC Exchange shall fa-
2 cilitate a voluntary public-private information shar-
3 ing partnership among law enforcement agencies,
4 national security agencies, financial institutions, and
5 OFAC to—

6 “(A) effectively and efficiently combat
7 money laundering, terrorism financing, orga-
8 nized crime, and other financial crimes, includ-
9 ing by promoting innovation and technical ad-
10 vances in reporting—

11 “(i) under subchapter II of chapter 53
12 and the regulations promulgated under
13 that subchapter; and

14 “(ii) with respect to other anti-money
15 laundering requirements;

16 “(B) protect the financial system from il-
17 licit use; and

18 “(C) promote national security.

19 “(3) REPORT.—

20 “(A) IN GENERAL.—Not later than 1 year
21 after the date of enactment of this subsection,
22 and once every 2 years thereafter for the next
23 5 years, the Secretary of the Treasury shall
24 submit to the Committees on Foreign Relations
25 and Banking, Housing, and Urban Affairs of

1 the Senate and the Committees on Financial
2 Services and Foreign Affairs of the House of
3 Representatives a report containing—

4 “(i) an analysis of the efforts under-
5 taken by the OFAC Exchange, which shall
6 include an analysis of—

7 “(I) the results of those efforts;
8 and

9 “(II) the extent and effectiveness
10 of those efforts, including any benefits
11 realized by law enforcement agencies
12 from partnering with financial institu-
13 tions, which shall be consistent with
14 standards protecting sensitive infor-
15 mation; and

16 “(ii) any legislative, administrative, or
17 other recommendations the Secretary may
18 have to strengthen the efforts of the OFAC
19 Exchange.

20 “(B) CLASSIFIED ANNEX.—Each report
21 under subparagraph (A) may include a classi-
22 fied annex.

23 “(4) INFORMATION SHARING REQUIREMENT.—
24 Information shared under this subsection shall be
25 shared—

1 “(A) in compliance with all other applica-
2 ble Federal laws and regulations;

3 “(B) in such a manner as to ensure the
4 appropriate confidentiality of personal informa-
5 tion; and

6 “(C) at the discretion of the Director, with
7 the appropriate Federal functional regulator, as
8 defined in section of the Anti-Money Laun-
9 dering Act of 2020.

10 “(5) PROTECTION OF SHARED INFORMATION.—

11 “(A) REGULATIONS.—OFAC shall, as ap-
12 propriate, promulgate regulations that establish
13 procedures for the protection of information
14 shared and exchanged between OFAC and the
15 private sector in accordance with this section,
16 consistent with the capacity, size, and nature of
17 the financial institution to which the particular
18 procedures apply.

19 “(B) USE OF INFORMATION.—Information
20 received by a financial institution pursuant to
21 this section shall not be used for any purpose
22 other than identifying and reporting on activi-
23 ties that may involve the financing of terrorism,
24 money laundering, proliferation financing, or
25 other financial crimes.

1 “(6) RULE OF CONSTRUCTION.—Nothing in
2 this subsection may be construed to create new in-
3 formation sharing authorities or requirements relat-
4 ing to the Bank Secrecy Act.”.