

115TH CONGRESS
2D SESSION

H. R. 5227

To require a report and strategy with respect to virtual currencies and other related emerging technologies being used to evade sanctions, finance terrorism, and launder monetary instruments, and threaten United States national security, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 8, 2018

Mr. MEADOWS (for himself and Mr. ZELDIN) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To require a report and strategy with respect to virtual currencies and other related emerging technologies being used to evade sanctions, finance terrorism, and launder monetary instruments, and threaten United States national security, 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 “Preventing Rogue and
5 Foreign Actors From Evading Sanctions Act”.

1 **SEC. 2. REPORT AND STRATEGY WITH RESPECT TO VIR-**
2 **TUAL CURRENCIES AND OTHER RELATED**
3 **EMERGING TECHNOLOGIES.**

4 (a) IN GENERAL.—Not later than 180 days after the
5 date of the enactment of this Act, the President, acting
6 through the Secretary of Treasury and in consultation
7 with the Attorney General, the Secretary of State, the Sec-
8 retary of Homeland Security, the Director of National In-
9 telligence, the Director of the Office of Management and
10 Budget, and the appropriate Federal banking agencies
11 and Federal functional regulators, shall—

12 (1) submit to the appropriate congressional
13 committees a report that identifies and describes the
14 potential uses of virtual currencies and other related
15 emerging technologies by states, non-state actors,
16 and foreign terrorist organizations to evade sanc-
17 tions, finance terrorism, or launder monetary instru-
18 ments, and threaten United States national security;
19 and

20 (2) develop and submit to the appropriate con-
21 gressional committees a strategy to mitigate and
22 prevent such illicit use of virtual currencies and
23 other related emerging technologies.

24 (b) FORM; PUBLIC AVAILABILITY.—

1 (1) FORM.—The report and strategy required
2 under subsection (a) shall be submitted in unclassi-
3 fied form, but may contain a classified annex.

4 (2) PUBLIC AVAILABILITY.—The unclassified
5 portion of such report and strategy shall be made
6 available to the public and posted on the internet
7 website of the Department of Treasury—

8 (A) in pre-compressed, easily downloadable
9 versions that are made available in all appro-
10 priate formats; and

11 (B) in machine-readable format, if applica-
12 ble.

13 (c) SOURCES OF INFORMATION.—In preparing the
14 report and strategy required under subsection (a), the
15 President may utilize any credible publication, database,
16 web-based resource, and any credible information compiled
17 by any government agency, nongovernmental organization,
18 or other entity that is made available to the President.

19 **SEC. 3. BRIEFING.**

20 Not later than 2 years after the date of the enact-
21 ment of this Act, the Secretary of the Treasury shall brief
22 the appropriate congressional committees on the imple-
23 mentation of the strategy required under section 2.

24 **SEC. 4. DEFINITIONS.**

25 In this Act:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Financial Services,
5 the Committee on the Judiciary, the Permanent
6 Select Committee on Intelligence, and the Com-
7 mittee on Foreign Affairs of the House of Rep-
8 resentatives; and

9 (B) the Committee on Banking, Housing,
10 and Urban Affairs, the Committee on Home-
11 land Security and Governmental Affairs, the
12 Committee on the Judiciary, the Select Com-
13 mittee on Intelligence, and the Committee on
14 Foreign Relations of the Senate.

15 (2) APPROPRIATE FEDERAL BANKING AGEN-
16 CIES.—The term “appropriate Federal banking
17 agencies” has the meaning given the term in section
18 3 of the Federal Deposit Insurance Act (12 U.S.C.
19 1813).

20 (3) VIRTUAL CURRENCY.—The term “virtual
21 currency” means a currency that—

22 (A) is a digital representation of value that
23 can be digitally traded;

24 (B) is used as a medium of exchange, unit
25 of account, or store, of value; and

1 (C) is not used to be a legal tender, wheth-
2 er or not denominated in legal tender.

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

7 (5) FOREIGN TERRORIST ORGANIZATION.—The
8 term “foreign terrorist organization” means an or-
9 ganization that is designated as a foreign terrorist
10 organization under section 219 of the Immigration
11 and Nationality Act (8 U.S.C. 1189).

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