

115TH CONGRESS  
1ST SESSION

# H. R. \_\_\_\_\_

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

Mr. KUSTOFF of Tennessee introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

## 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”.

1 **SEC. 2. NATIONAL STRATEGY.**

2 (a) IN GENERAL.—The President, acting through the  
3 Secretary of the Treasury, shall, in consultation with the  
4 Attorney General, the Secretary of State, the Secretary  
5 of Homeland Security, the Director of National Intel-  
6 ligence, the Secretary of Defense, the Director of the Drug  
7 Enforcement Administration, the Commissioner of Cus-  
8 toms and Border Protection, the Director of the Office  
9 of National Drug Control Policy, and the Federal func-  
10 tional regulators, develop a national strategy to combat  
11 the financial networks of transnational organized crimi-  
12 nals.

13 (b) TRANSMITTAL TO CONGRESS.—

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

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

1           (c) SEPARATE PRESENTATION OF CLASSIFIED MA-  
2 TERIAL.—Any part of the national strategy that involves  
3 information that is properly classified under criteria estab-  
4 lished by the President shall be submitted to Congress sep-  
5 arately in a classified annex and, if requested by the chair-  
6 man or ranking member of one of the appropriate Con-  
7 gressional committees, as a briefing at an appropriate level  
8 of security.

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

10           The national strategy described in section 2 shall con-  
11 tain the following:

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

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

1           (B) An assessment of methods by which  
2 transnational organized crime groups launder illicit  
3 proceeds, including trade-based money laundering,  
4 bulk cash smuggling, exploitation of shell companies,  
5 and misuse of digital currencies and other cyber  
6 technologies, as well as an assessment of the risk to  
7 the financial system of the United States of such  
8 methods.

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

16           (B) A description of how the strategy is inte-  
17 grated into, and supports, the national security  
18 strategy, drug control strategy, and counterterrorism  
19 strategy of the United States.

20           (4) REVIEWS AND PROPOSED CHANGES.—A re-  
21 view of current efforts to combat the financing or fi-  
22 nancial facilitation of transnational organized crime,  
23 including efforts to detect, deter, disrupt, and pros-  
24 ecute transnational organized crime groups and their  
25 supporters, and, if appropriate, proposed changes to

1 any law or regulation determined to be appropriate  
2 to ensure that the United States pursues coordi-  
3 nated and effective efforts within the jurisdiction of  
4 the United States, including efforts or actions that  
5 are being taken or can be taken by financial institu-  
6 tions, efforts in cooperation with international part-  
7 ners of the United States, and efforts that build  
8 partnerships and global capacity to combat  
9 transnational organized crime.

10 **SEC. 4. DEFINITIONS.**

11 In this Act:

12 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
13 TEES.—The term “appropriate congressional com-  
14 mittees” means—

15 (A) the Committee on Financial Services,  
16 the Committee on Foreign Affairs, the Com-  
17 mittee on Armed Services, the Committee on  
18 the Judiciary, the Committee on Homeland Se-  
19 curity, and the Permanent Select Committee on  
20 Intelligence of the House of Representatives;  
21 and

22 (B) the Committee on Banking, Housing,  
23 and Urban Affairs, the Committee on Foreign  
24 Relations, the Committee on Armed Services,  
25 the Committee on the Judiciary, the Committee

1           on Homeland Security and Governmental Af-  
2           fairs, and the Select Committee on Intelligence  
3           of the Senate.

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

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

14                 (A) protecting their activities through a  
15                 pattern of corruption or violence; or

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