

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.

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## 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

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## 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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