

Union Calendar No. 67

119TH CONGRESS
1ST SESSION

H. R. 2384

[Report No. 119-93]

To establish an Independent Financial Technology Working Group to Combat
Terrorism and Illicit Financing, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2025

Mr. NUNN of Iowa (for himself and Mr. HIMES) introduced the following bill;
which was referred to the Committee on Financial Services

MAY 6, 2025

Additional sponsors: Mr. DAVIDSON, Mr. LAWLER, and Mr. GOTTHEIMER

MAY 6, 2025

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 26, 2025]

A BILL

To establish an Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing, 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 “Financial Technology*
5 *Protection Act of 2025”.*

6 **SEC. 2. INDEPENDENT FINANCIAL TECHNOLOGY WORKING**
7 **GROUP TO COMBAT TERRORISM AND ILLICIT**
8 **FINANCING.**

9 (a) *ESTABLISHMENT.*—*There is established the Inde-*
10 *pendent Financial Technology Working Group to Combat*
11 *Terrorism and Illicit Financing (in this section referred to*
12 *as the “Working Group”), which shall consist of the fol-*
13 *lowing:*

14 (1) *The Secretary of the Treasury, acting*
15 *through the Under Secretary for Terrorism and Fi-*
16 *nancial Crimes, who shall serve as the chair of the*
17 *Working Group.*

18 (2) *A senior-level representative from each of the*
19 *following:*

20 (A) *The Department of the Treasury.*

21 (B) *The Office of Terrorism and Financial*
22 *Intelligence.*

23 (C) *The Internal Revenue Service.*

24 (D) *The Department of Justice.*

25 (E) *The Federal Bureau of Investigation.*

1 (F) *The Drug Enforcement Administration.*

2 (G) *The Department of Homeland Security.*

3 (H) *The United States Secret Service.*

4 (I) *The Department of State.*

5 (J) *The Office of the Director of National*
6 *Intelligence.*

7 (3) *At least five individuals appointed by the*
8 *Under Secretary for Terrorism and Financial Crimes*
9 *to represent the following:*

10 (A) *Financial technology companies.*

11 (B) *Blockchain intelligence companies.*

12 (C) *Financial institutions.*

13 (D) *Institutions or organizations engaged*
14 *in research.*

15 (E) *Institutions or organizations focused on*
16 *individual privacy and civil liberties.*

17 (4) *Such additional individuals as the Secretary*
18 *of the Treasury may appoint as necessary to accom-*
19 *plish the duties described under subsection (b).*

20 (b) *DUTIES.—The Working Group shall—*

21 (1) *conduct research on terrorist and illicit use*
22 *of digital assets and other related emerging tech-*
23 *nologies; and*

24 (2) *develop legislative and regulatory proposals*
25 *to improve anti-money laundering, counter-terrorist,*

1 *and other counter-illicit financing efforts in the*
2 *United States.*

3 *(c) REPORTS.—*

4 *(1) IN GENERAL.—Not later than one year after*
5 *the date of the enactment of this Act, and annually*
6 *for the 3 years thereafter, the Working Group shall*
7 *submit to the Secretary of the Treasury, the heads of*
8 *each agency represented in the Working Group pursu-*
9 *ant to subsection (a)(2), and the appropriate congress-*
10 *sional committees a report containing the findings*
11 *and determinations made by the Working Group in*
12 *the previous year and any legislative and regulatory*
13 *proposals developed by the Working Group.*

14 *(2) FINAL REPORT.—Before the date on which*
15 *the Working Group terminates under subsection*
16 *(d)(1), the Working Group shall submit to the appro-*
17 *priate congressional committees a final report detail-*
18 *ing the findings, recommendations, and activities of*
19 *the Working Group, including any final results from*
20 *the research conducted by the Working Group.*

21 *(d) SUNSET.—*

22 *(1) IN GENERAL.—The Working Group shall ter-*
23 *minate on the later of—*

24 *(A) the date that is 4 years after the date*
25 *of the enactment of this Act; or*

1 (B) the date on which the Working Group
2 completes any wind-up activities described under
3 paragraph (2).

4 (2) *AUTHORITY TO WIND UP ACTIVITIES.*—If
5 there are ongoing research, proposals, or other related
6 activities of the Working Group ongoing as of the date
7 that is 4 years after the date of the enactment of this
8 Act, the Working Group may temporarily continue
9 working in order to wind-up such activities.

10 (3) *RETURN OF APPROPRIATED FUNDS.*—On the
11 date on which the Working Group terminates under
12 paragraph (1), any unobligated funds appropriated
13 to carry out this section shall be transferred to the
14 Treasury.

15 **SEC. 3. PREVENTING ROGUE AND FOREIGN ACTORS FROM**
16 **EVADING SANCTIONS.**

17 (a) *REPORT AND STRATEGY WITH RESPECT TO DIG-*
18 *ITAL ASSETS AND OTHER RELATED EMERGING TECH-*
19 *NOLOGIES.*—

20 (1) *IN GENERAL.*—Not later than 180 days after
21 the date of the enactment of this Act, the President,
22 acting through the Secretary of the Treasury and in
23 consultation with the head of each agency represented
24 on the Independent Financial Technology Working
25 Group to Combat Terrorism and Illicit Financing

1 *pursuant to section 2(a)(2), shall submit to the ap-*
2 *propriate congressional committees a report that de-*
3 *scribes—*

4 *(A) the potential uses of digital assets and*
5 *other related emerging technologies by States,*
6 *non-State actors, foreign terrorist organizations,*
7 *and other terrorist groups to evade sanctions, fi-*
8 *nance terrorism, or launder monetary instru-*
9 *ments, and threaten the national security of the*
10 *United States; and*

11 *(B) a strategy for the United States to miti-*
12 *gate and prevent the illicit use of digital assets*
13 *and other related emerging technologies.*

14 *(2) FORM OF REPORT; PUBLIC AVAILABILITY.—*

15 *(A) IN GENERAL.—The report required by*
16 *paragraph (1) shall be submitted in unclassified*
17 *form, but may include a classified annex.*

18 *(B) PUBLIC AVAILABILITY.—The unclassi-*
19 *fied portion of each report required by para-*
20 *graph (1) shall be made available to the public*
21 *and posted on a publicly accessible website of the*
22 *Department of the Treasury—*

23 *(i) in precompressed, easily*
24 *downloadable versions, in all appropriate*
25 *formats; and*

1 (ii) *in machine-readable format, if ap-*
2 *plicable.*

3 (3) *SOURCES OF INFORMATION.*—*In preparing*
4 *the reports required by paragraph (1), the President*
5 *may utilize any credible publication, database, or*
6 *web-based resource, and any credible information*
7 *compiled by any government agency, nongovern-*
8 *mental organization, or other entity that is made*
9 *available to the President.*

10 (b) *BRIEFING.*—*Not later than 2 years after the date*
11 *of the enactment of this Act, the Secretary of the Treasury*
12 *shall brief the appropriate congressional committees on the*
13 *implementation of the strategy required by subsection*
14 *(a)(1)(B).*

15 **SEC. 4. DEFINITIONS.**

16 *In this Act:*

17 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
18 *TEES.*—*The term “appropriate congressional commit-*
19 *tees” means—*

20 (A) *the Committee on Banking, Housing,*
21 *and Urban Affairs, the Committee on Finance,*
22 *the Committee on Foreign Relations, the Com-*
23 *mittee on Homeland Security and Governmental*
24 *Affairs, the Committee on the Judiciary, and the*

1 *Select Committee on Intelligence of the Senate;*
2 *and*

3 *(B) the Committee on Financial Services,*
4 *the Committee on Foreign Affairs, the Committee*
5 *on Homeland Security, the Committee on the*
6 *Judiciary, the Committee on Ways and Means,*
7 *and the Permanent Select Committee on Intel-*
8 *ligence of the House of Representatives.*

9 (2) *BLOCKCHAIN INTELLIGENCE COMPANY.*—*The*
10 *term “blockchain intelligence company” means any*
11 *business providing software, research, or other services*
12 *(such as blockchain tracing tools, geofencing, trans-*
13 *action screening, the collection of business data, and*
14 *sanctions screening) that—*

15 *(A) support private and public sector inves-*
16 *tigations and risk management activities; and*

17 *(B) involve cryptographically secured dis-*
18 *tributed ledgers or any similar technology or im-*
19 *plementation.*

20 (3) *DIGITAL ASSET.*—*The term “digital asset”*
21 *means any digital representation of value that is re-*
22 *corded on a cryptographically secured digital ledger*
23 *or any similar technology.*

24 (4) *EMERGING TECHNOLOGIES.*—*The term*
25 *“emerging technologies” means the critical and*

1 *emerging technology areas listed in the Critical and*
2 *Emerging Technologies List developed by the Fast*
3 *Track Action Subcommittee on Critical and Emerg-*
4 *ing Technologies of the National Science and Tech-*
5 *nology Council, including any updates to such list.*

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

11 (6) *ILLICIT USE.—The term “illicit use” includes*
12 *fraud, darknet marketplace transactions, money laun-*
13 *dering, the purchase and sale of illicit goods, sanc-*
14 *tions evasion, theft of funds, funding of illegal activi-*
15 *ties, transactions related to child sexual abuse mate-*
16 *rial, and any other financial transaction involving*
17 *the proceeds of specified unlawful activity (as defined*
18 *in section 1956(c) of title 18, United States Code).*

19 (7) *TERRORIST.—The term “terrorist” includes*
20 *a person carrying out domestic terrorism or inter-*
21 *national terrorism (as such terms are defined, respec-*
22 *tively, under section 2331 of title 18, United States*
23 *Code).*

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