

119TH CONGRESS
1ST SESSION

S. 2609

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

IN THE SENATE OF THE UNITED STATES

JULY 31, 2025

Mr. BUDD (for himself, Ms. LUMMIS, and Mrs. GILLIBRAND) introduced the
following bill; which was read twice and referred to the Committee on
Banking, Housing, and Urban Affairs

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”.

1 **SEC. 2. INDEPENDENT FINANCIAL TECHNOLOGY WORKING**
2 **GROUP TO COMBAT TERRORISM AND ILLICIT**
3 **FINANCING.**

4 (a) ESTABLISHMENT.—There is established the Inde-
5 pendent Financial Technology Working Group to Combat
6 Terrorism and Illicit Financing (in this section referred
7 to as the “Working Group”), which shall consist of the
8 following:

9 (1) The Secretary of the Treasury, acting
10 through the Under Secretary for Terrorism and Fi-
11 nancial Crimes, who shall serve as the chair of the
12 Working Group.

13 (2) A senior-level representative from each of
14 the following:

15 (A) The Department of the Treasury.

16 (B) The Office of Terrorism and Financial
17 Intelligence.

18 (C) The Internal Revenue Service.

19 (D) The Department of Justice.

20 (E) The Federal Bureau of Investigation.

21 (F) The Drug Enforcement Administra-
22 tion.

23 (G) The Department of Homeland Secu-
24 rity.

25 (H) The United States Secret Service.

26 (I) The Department of State.

1 (J) The Office of the Director of National
2 Intelligence.

3 (3) At least five individuals appointed by the
4 Under Secretary for Terrorism and Financial
5 Crimes to represent the following:

6 (A) Financial technology companies.

7 (B) Blockchain intelligence companies.

8 (C) Financial institutions.

9 (D) Institutions or organizations engaged
10 in research.

11 (E) Institutions or organizations focused
12 on individual privacy and civil liberties.

13 (4) Such additional individuals as the Secretary
14 of the Treasury may appoint as necessary to accom-
15 plish the duties described under subsection (b).

16 (b) DUTIES.—The Working Group shall—

17 (1) conduct research on terrorist and illicit use
18 of digital assets and other related emerging tech-
19 nologies; and

20 (2) develop legislative and regulatory proposals
21 to improve anti-money laundering, counter-terrorist,
22 and other counter-illicit financing efforts in the
23 United States.

24 (c) REPORTS.—

1 (1) IN GENERAL.—Not later than one year
 2 after the date of the enactment of this Act, and an-
 3 nually for the 3 years thereafter, the Working Group
 4 shall submit to the Secretary of the Treasury, the
 5 heads of each agency represented in the Working
 6 Group pursuant to subsection (a)(2), and the appro-
 7 priate congressional committees a report containing
 8 the findings and determinations made by the Work-
 9 ing Group in the previous year and any legislative
 10 and regulatory proposals developed by the Working
 11 Group.

12 (2) FINAL REPORT.—Before the date on which
 13 the Working Group terminates under subsection
 14 (d)(1), the Working Group shall submit to the ap-
 15 propriate congressional committees a final report de-
 16 tailing the findings, recommendations, and activities
 17 of the Working Group, including any final results
 18 from the research conducted by the Working Group.

19 (d) SUNSET.—

20 (1) IN GENERAL.—The Working Group shall
 21 terminate on the later of—

22 (A) the date that is 4 years after the date
 23 of the enactment of this Act; or

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

4 (2) AUTHORITY TO WIND UP ACTIVITIES.—If
5 there are ongoing research, proposals, or other re-
6 lated activities of the Working Group ongoing as of
7 the date that is 4 years after the date of the enact-
8 ment of this Act, the Working Group may tempo-
9 rarily continue working in order to wind-up such ac-
10 tivities.

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

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

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

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

1 Technology Working Group to Combat Terrorism
2 and Illicit Financing pursuant to section 2(a)(2),
3 shall submit to the appropriate congressional com-
4 mittees a report that describes—

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

12 (B) a strategy for the United States to
13 mitigate and prevent the illicit use of digital as-
14 sets and other related emerging technologies.

15 (2) FORM OF REPORT; PUBLIC AVAILABILITY.—

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

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

1 (i) in precompressed, easily
2 downloadable versions, in all appropriate
3 formats; and

4 (ii) in machine-readable format, if ap-
5 plicable.

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

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

18 **SEC. 4. DEFINITIONS.**

19 In this Act:

20 (1) APPROPRIATE CONGRESSIONAL COMMIT-
21 TEES.—The term “appropriate congressional com-
22 mittees” means—

23 (A) the Committee on Banking, Housing,
24 and Urban Affairs, the Committee on Finance,
25 the Committee on Foreign Relations, the Com-

mittee on Homeland Security and Govern-
 mental Affairs, the Committee on the Judiciary,
 and the Select Committee on Intelligence of the
 Senate; and

(B) the Committee on Financial Services,
 the Committee on Foreign Affairs, the Com-
 mittee on Homeland Security, the Committee
 on the Judiciary, the Committee on Ways and
 Means, and the Permanent Select Committee
 on Intelligence of the House of Representatives.

(2) BLOCKCHAIN INTELLIGENCE COMPANY.—

The term “blockchain intelligence company” means
 any business providing software, research, or other
 services (such as blockchain tracing tools,
 geofencing, transaction screening, the collection of
 business data, and sanctions screening) that—

(A) support private and public sector in-
 vestigations and risk management activities;
 and

(B) involve cryptographically secured dis-
 tributed ledgers or any similar technology or
 implementation.

(3) DIGITAL ASSET.—The term “digital asset”
 means any digital representation of value that is re-

1 corded on a cryptographically secured digital ledger
2 or any similar technology.

3 (4) EMERGING TECHNOLOGIES.—The term
4 “emerging technologies” means the critical and
5 emerging technology areas listed in the Critical and
6 Emerging Technologies List developed by the Fast
7 Track Action Subcommittee on Critical and Emerg-
8 ing Technologies of the National Science and Tech-
9 nology Council, including any updates to such list.

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

15 (6) ILLICIT USE.—The term “illicit use” in-
16 cludes fraud, darknet marketplace transactions,
17 money laundering, the purchase and sale of illicit
18 goods, sanctions evasion, theft of funds, funding of
19 illegal activities, transactions related to child sexual
20 abuse material, and any other financial transaction
21 involving the proceeds of specified unlawful activity
22 (as defined in section 1956(c) of title 18, United
23 States Code).

24 (7) TERRORIST.—The term “terrorist” includes
25 a person carrying out domestic terrorism or inter-

1 national terrorism (as such terms are defined, re-
2 spectively, under section 2331 of title 18, United
3 States Code).

○