

116TH CONGRESS  
1ST SESSION

# H. R. 1387

To require the President to develop a national strategy to combat the financial networks of transnational organized criminals, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2019

Mr. KUSTOFF of Tennessee (for himself and Mr. FOSTER) introduced the following bill; which was referred to the Committee on Financial Services

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## 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 “Criminal Organiza-  
5       tions’ Narcotics, Finances, Resources, Operations, and  
6       Networks Targeting Act” or the “CONFRONT Act”.

7       **SEC. 2. NATIONAL STRATEGY.**

8       (a) IN GENERAL.—The President, acting through the  
9       Secretary of the Treasury, shall, in consultation with the  
10      Attorney General, the Secretary of State, the Secretary

1 of Homeland Security, the Director of National Intel-  
2 ligence, the Secretary of Defense, the Director of the Fi-  
3 nancial Crimes Enforcement Network, the Director of the  
4 United States Secret Service, the Director of the Federal  
5 Bureau of Investigation, the Administrator of the Drug  
6 Enforcement Administration, the Commissioner of Cus-  
7 toms and Border Protection, the Director of the Office  
8 of National Drug Control Policy, and the Federal func-  
9 tional regulators, develop a national strategy to combat  
10 the financial networks of transnational organized crimi-  
11 nals.

12 (b) TRANSMITTAL TO CONGRESS.—

13 (1) IN GENERAL.—Not later than 1 year after  
14 the date of enactment of this Act, the President  
15 shall submit to the appropriate congressional com-  
16 mittees and make available to the head of each agen-  
17 cy described in subsection (a), a comprehensive na-  
18 tional strategy in accordance with subsection (a).

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

1           (c) SEPARATE PRESENTATION OF CLASSIFIED MA-  
2 TERIAL.—Any part of the national strategy required to be  
3 developed under subsection (a) that involves information  
4 that is properly classified under criteria established by the  
5 President shall be submitted to the appropriate congres-  
6 sional committees separately in a classified annex and, if  
7 requested by the chairman or ranking member of one of  
8 the appropriate Congressional committees, as a briefing  
9 at an appropriate level of security.

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

11           The national strategy required under section 2 shall  
12 contain the following:

13           (1) THREATS.—An identification and assess-  
14 ment of the most significant current transnational  
15 organized crime threats posed to the national secu-  
16 rity of the United States or to the U.S. and inter-  
17 national financial system, including drug and human  
18 trafficking organizations, cyber criminals, klepto-  
19 crats, and other relevant state and non-state enti-  
20 ties, including those threats identified in the Presi-  
21 dent’s “Strategy to Combat Transnational Orga-  
22 nized Crime” (published July 2011).

23           (2) ILLICIT FINANCE.—(A) An identification of  
24 individuals, entities, and networks (including ter-  
25 rorist organizations, if any) that provide financial

1 support or financial facilitation to transnational or-  
2 ganized crime groups, and an assessment of the  
3 scope and role of those providing financial support  
4 to transnational organized crime groups.

5 (B) An assessment of methods by which trans-  
6 national organized crime groups launder illicit pro-  
7 ceeds, including money laundering using real estate  
8 and other tangible goods such as art and antiquities,  
9 trade-based money laundering, bulk-cash smuggling,  
10 exploitation of shell companies, and misuse of digital  
11 currencies and other cyber technologies, as well as  
12 an assessment of the risk to the financial system of  
13 the United States of such methods.

14 (3) GOALS, OBJECTIVES, PRIORITIES, AND AC-  
15 TIONS.—(A) A comprehensive, research-based dis-  
16 cussion of short-term and long-term goals, objec-  
17 tives, priorities, and actions, listed for each agency  
18 described under section 2(a), for combating the fi-  
19 nancing of transnational organized crime groups and  
20 their facilitators.

21 (B) A description of how the strategy is inte-  
22 grated into, and supports, the national security  
23 strategy, drug control strategy, and counterterrorism  
24 strategy of the United States.

1           (4) **REVIEWS AND PROPOSED CHANGES.**—A re-  
2 view of current efforts to combat the financing or fi-  
3 nancial facilitation of transnational organized crime,  
4 including efforts to detect, deter, disrupt, and pros-  
5 ecute transnational organized crime groups and their  
6 supporters, and, if appropriate, proposed changes to  
7 any law or regulation determined to be appropriate  
8 to ensure that the United States pursues coordi-  
9 nated and effective efforts within the jurisdiction of  
10 the United States, including efforts or actions that  
11 are being taken or can be taken by financial institu-  
12 tions, efforts in cooperation with international part-  
13 ners of the United States, and efforts that build  
14 partnerships and global capacity to combat transna-  
15 tional organized crime.

16 **SEC. 4. DEFINITIONS.**

17 In this Act:

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

21           (A) the Committee on Financial Services,  
22 the Committee on Foreign Affairs, the Com-  
23 mittee on Armed Services, the Committee on  
24 the Judiciary, the Committee on Homeland Se-  
25 curity, and the Permanent Select Committee on

1 Intelligence of the House of Representatives;  
2 and

3 (B) the Committee on Banking, Housing,  
4 and Urban Affairs, the Committee on Foreign  
5 Relations, the Committee on Armed Services,  
6 the Committee on the Judiciary, the Committee  
7 on Homeland Security and Governmental Af-  
8 fairs, and the Select Committee on Intelligence  
9 of the Senate.

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

14 (3) TRANSNATIONAL ORGANIZED CRIME.—The  
15 term “transnational organized crime” refers to those  
16 self-perpetuating associations of individuals who op-  
17 erate transnationally for the purpose of obtaining  
18 power, influence, monetary or commercial gains,  
19 wholly or in part by illegal means, while—

20 (A) protecting their activities through a  
21 pattern of corruption or violence; or

22 (B) protecting their illegal activities  
23 through a transnational organizational struc-

- 1 ture and the exploitation of transnational com-
- 2 merce or communication mechanisms.

