

**[DISCUSSION DRAFT]**

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R.** \_\_\_\_\_

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

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IN THE HOUSE OF REPRESENTATIVES

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

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**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 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 organiza-  
8 tions, and other terrorist groups to evade sanc-  
9 tions, finance terrorism, or launder monetary  
10 instruments, and threaten the national security  
11 of the 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 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-

1           committee on Homeland Security and Govern-  
2           mental Affairs, the Committee on the Judiciary,  
3           and the Select Committee on Intelligence of the  
4           Senate; and

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

11          (2) BLOCKCHAIN INTELLIGENCE COMPANY.—

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

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

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

23          (3) DIGITAL ASSET.—The term “digital asset”  
24          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).