AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 295
OFFERED BY MR. ENGEL OF NEW YORK

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.
This Act may be cited as the “End Banking for Human Traffickers Act of 2019”.

SEC. 2. INCREASING THE ROLE OF THE FINANCIAL INDUSTRY IN COMBATING HUMAN TRAFFICKING.
(a) REQUIRED REVIEW OF PROCEDURES.—Not later than 180 days after the date of the enactment of this Act, the Financial Institutions Examination Council, in consultation with the Secretary of the Treasury, the private sector, victims of severe forms of trafficking in persons, advocates of persons at risk of becoming victims of severe forms of trafficking in persons, and appropriate law enforcement agencies, shall—
(1) review and enhance training and examinations procedures to improve the capabilities of anti-money laundering and countering the financing of terrorism programs to detect financial transactions relating to severe forms of trafficking in persons;
(2) review and enhance procedures for referring potential cases relating to severe forms of trafficking in persons to the appropriate law enforcement agency; and

(3) determine, as appropriate, whether requirements for financial institutions are sufficient to detect and deter money laundering relating to severe forms of trafficking in persons.

(b) INTERAGENCY TASK FORCE RECOMMENDATIONS

TARGETING MONEY LAUNDERING RELATED TO HUMAN TRAFFICKING.—

(1) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Interagency Task Force To Monitor and Combat Trafficking shall submit to the Committee on Financial Services and the Committee on the Judiciary of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs and the Committee on the Judiciary of the Senate, and the head of each appropriate Federal banking agency—

(A) an analysis of anti-money laundering efforts of the United States Government and United States financial institutions relating to severe forms of trafficking in persons; and
(B) appropriate legislative, administrative, and other recommendations to strengthen efforts against money laundering relating to severe forms of trafficking in persons.

(2) REQUIRED RECOMMENDATIONS.—The recommendations under paragraph (1) shall include—

(A) feedback from financial institutions on best practices of successful programs to combat severe forms of trafficking in persons currently in place that may be suitable for broader adoption by similarly situated financial institutions;

(B) feedback from stakeholders, including victims of severe forms of trafficking in persons, advocates of persons at risk of becoming victims of severe forms of trafficking in persons, and financial institutions, on policy proposals derived from the analysis conducted by the task force referred to in paragraph (1) that would enhance the efforts and programs of financial institutions to detect and deter money laundering relating to severe forms of trafficking in persons, including any recommended changes to internal policies, procedures, and controls relating to severe forms of trafficking in persons;
(C) any recommended changes to training programs at financial institutions to better equip employees to deter and detect money laundering relating to severe forms of trafficking in persons;

(D) any recommended changes to expand information sharing relating to severe forms of trafficking in persons among financial institutions and between such financial institutions, appropriate law enforcement agencies, and appropriate Federal agencies; and

(E) recommended changes, if necessary, to existing statutory law to more effectively detect and deter money laundering relating to severe forms of trafficking in persons, where such money laundering involves the use of emerging technologies and virtual currencies.

(c) LIMITATION.—Nothing in this Act shall be construed to—

(1) grant rulemaking authority to the Inter-agency Task Force To Monitor and Combat Trafficking; or

(2) encourage financial institutions to deny services to victims of trafficking, victims of severe forms of trafficking in persons, or individuals not re-
sponsible for promoting severe forms of trafficking
in persons.

(d) DEFINITIONS.—As used in this section—

(1) the term “appropriate Federal banking
agency” has the meaning given the term in section
3(q) of the Federal Deposit Insurance Act (12
U.S.C. 1813(q));

(2) the term “severe forms of trafficking in per-
sons” has the meaning given such term in section
103 of the Trafficking Victims Protection Act of
2000 (22 U.S.C. 7102);

(3) the term “Interagency Task Force To Mon-
itor and Combat Trafficking” means the Interagency
Task Force To Monitor and Combat Trafficking es-
established by the President pursuant to section 105
of the Victims of Trafficking and Violence Protec-
tion Act of 2000 (22 U.S.C. 7103); and

(4) the term “law enforcement agency” means
an agency of the United States, a State, or a polit-
ical subdivision of a State, authorized by law or by
a government agency to engage in or supervise the
prevention, detection, investigation, or prosecution of
any violation of criminal or civil law.
SEC. 3. COORDINATION OF HUMAN TRAFFICKING ISSUES

BY THE OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE.

(a) Functions.—Section 312(a)(4) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively; and

(2) by inserting after subparagraph (D) the following:

“(E) combating illicit financing relating to severe forms of trafficking in persons;”.

(b) Interagency Coordination.—Section 312(a) of title 31, United States Code, is amended by adding at the end the following:

“(8) Interagency Coordination.—The Secretary of the Treasury, after consultation with the Undersecretary for Terrorism and Financial Crimes, shall designate an office within the OTFI that shall coordinate efforts to combat the illicit financing of severe forms of trafficking in persons with—

“(A) other offices of the Department of the Treasury;

“(B) other Federal agencies, including—
“(i) the Office To Monitor and Combat Trafficking in Persons of the Department of State; and

“(ii) the Interagency Task Force To Monitor and Combat Trafficking;

“(C) State and local law enforcement agencies; and

“(D) foreign governments.”.

(c) DEFINITION.—Section 312(a) of title 31, United States Code, as amended by this section, is further amended by adding at the end the following:

“(9) DEFINITION.—In this subsection, the term ‘severe forms of trafficking in persons’ has the meaning given such term in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102).”.


Section 105(d)(7) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7103(d)(7)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by inserting “the Committee on Financial Services,” after “the Committee on Foreign Affairs,”; and
(B) by inserting “the Committee on Banking, Housing, and Urban Affairs,” after “the Committee on Foreign Relations;”;

(2) in subparagraph (Q)—

(A) in clause (vii), by inserting “and” after the semicolon; and

(B) in clause (viii), by striking “and” after the semicolon;

(3) in subparagraph (R), by striking “and” after the semicolon;

(4) in subparagraph (S), by striking the period and inserting “; and”; and

(5) by adding at the end the following:

“(T) the efforts of the United States to eliminate money laundering relating to severe forms of trafficking in persons and the number of investigations, arrests, indictments, and convictions in money laundering cases with a nexus to severe forms of trafficking in persons.”.

SEC. 5. MINIMUM STANDARDS FOR THE ELIMINATION OF TRAFFICKING.

Section 108(b) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7106(b)) is amended by adding at the end the following new paragraph:
“(13) Whether the government of the country, consistent with the capacity of the country, has in effect a framework to prevent financial transactions involving the proceeds of severe forms of trafficking in persons, and is taking steps to implement such a framework, including by investigating, prosecuting, convicting, and sentencing individuals who attempt or conduct such transactions.”.