

115TH CONGRESS
2D SESSION

H. R. 6069

To require the Comptroller General of the United States to carry out a study on how virtual currencies and online marketplaces are used to buy, sell, or facilitate the financing of goods or services associated with sex trafficking or drug trafficking, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 12, 2018

Mr. VARGAS (for himself and Mr. ROTHFUS) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the Comptroller General of the United States to carry out a study on how virtual currencies and online marketplaces are used to buy, sell, or facilitate the financing of goods or services associated with sex trafficking or drug trafficking, 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 “Fight Illicit Networks
5 and Detect Trafficking Act” or the “FIND Trafficking
6 Act”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) According to the Drug Enforcement Admin-
4 istration (DEA) 2017 National Drug Threat Assess-
5 ment, transnational criminal organizations are in-
6 creasingly using virtual currencies.

7 (2) Although virtual currencies can be used for
8 legal purchases, they have become a preferred finan-
9 cial payment method for criminals.

10 (3) Virtual currencies have become a prominent
11 method to pay for goods and services associated with
12 illegal sex trafficking and drug trafficking, which are
13 two of the most detrimental and troubling illegal ac-
14 tivities facilitated by online marketplaces.

15 (4) Online marketplaces, including the darkweb,
16 have become a prominent platform to buy, sell, and
17 advertise for illicit goods and services associated
18 with sex trafficking and drug trafficking.

19 (5) According to the International Labour Or-
20 ganization, in 2016, 4.8 million people in the world
21 were victims of forced sexual exploitation, and in
22 2014, the global profit from commercial sexual ex-
23 ploitation was \$99 billion.

24 (6) In 2016, within the United States, the Cen-
25 ter for Disease Control estimated that there were
26 64,000 deaths related to drug overdose, and the

1 most severe increase in drug overdoses were those
2 associated with fentanyl and fentanyl analogs (syn-
3 thetic opioids), which amounted to over 20,000 over-
4 dose deaths.

5 (7) According to the U.S. Department of the
6 Treasury 2015 National Money Laundering Risk
7 Assessment, an estimated \$64 billion is generated
8 annually from U.S. drug trafficking sales.

9 (8) Illegal fentanyl in the United States origi-
10 nates primarily from China, and it is readily avail-
11 able to purchase through online marketplaces.

12 **SEC. 3. GAO STUDY.**

13 (a) STUDY REQUIRED.—The Comptroller General of
14 the United States shall conduct a study on how virtual
15 currencies and online marketplaces are used to facilitate
16 sex and drug trafficking. The study shall consider—

17 (1) how online marketplaces, including the
18 darkweb, are being used as platforms to buy, sell, or
19 facilitate the financing of goods or services associ-
20 ated with sex trafficking or drug trafficking (specifi-
21 cally, opioids and synthetic opioids, including fenta-
22 nyl, fentanyl analogs, and any precursor chemicals
23 associated with manufacturing fentanyl or fentanyl
24 analogs) destined for, originating from, or within the
25 United States;

1 (2) how financial payment methods, including
2 virtual currencies and peer-to-peer mobile payment
3 services, are being utilized by online marketplaces to
4 facilitate the buying, selling, or financing of goods
5 and services associated with sex or drug trafficking
6 destined for, originating from, or within the United
7 States;

8 (3) how virtual currencies are being used to fa-
9 cilitate the buying, selling, or financing of goods and
10 services associated with sex or drug trafficking, des-
11 tined for, originating from, or within the United
12 States, when an online platform is not otherwise in-
13 volved;

14 (4) how illicit funds that have been transmitted
15 online and through virtual currencies are repatriated
16 into the formal banking system of the United States
17 through money laundering or other means;

18 (5) the participants (state and non-state actors)
19 throughout the entire supply chain that participate
20 in or benefit from the buying, selling, or financing
21 of goods and services associated with sex or drug
22 trafficking (either through online marketplaces or
23 virtual currencies) destined for, originating from, or
24 within the United States; and

1 (6) Federal and State agency efforts to impede
2 the buying, selling, or financing of goods and serv-
3 ices associated with sex or drug trafficking destined
4 for, originating from, or within the United States,
5 including efforts to prevent the proceeds from sex or
6 drug trafficking from entering the United States
7 banking system.

8 (b) SCOPE.—For the purposes of the study required
9 under subsection (a), the term “sex trafficking” means the
10 recruitment, harboring, transportation, provision, obtain-
11 ing, patronizing, or soliciting of a person for the purpose
12 of a commercial sex act that is induced by force, fraud,
13 or coercion, or in which the person induced to perform
14 such act has not attained 18 years of age.

15 (c) REPORT TO CONGRESS.—Not later than 1 year
16 after the date of enactment of this Act, the Comptroller
17 General of the United States shall submit to the Com-
18 mittee on Banking, Housing, and Urban Affairs of the
19 Senate and the Committee on Financial Services of the
20 House of Representatives a report summarizing the re-
21 sults of the study required under subsection (a), together
22 with any recommendations for legislative or regulatory ac-
23 tion that would improve the efforts of Federal agencies

- 1 to impede the use of virtual currencies and online market-
- 2 places in facilitating sex and drug trafficking.

