AMENDMENT TO RULES COMMITTEE PRINT

117–13

OFFERED BY MR. LYNCH OF MASSACHUSETTS

In title LI of division E, after section 5105, insert the following:

SEC. 5106. STRENGTHENING AWARENESS OF SANCTIONS.

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

“(g) OFAC EXCHANGE.—

“(1) ESTABLISHMENT.—The OFAC Exchange is hereby established within OFAC.

“(2) PURPOSE.—The OFAC Exchange shall facilitate a voluntary public-private information sharing partnership among law enforcement agencies, national security agencies, financial institutions, and OFAC to—

“(A) effectively and efficiently administer and enforce economic and trade sanctions against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and
other threats to the national security, foreign policy, or economy of the United States by promoting innovation and technical advances in reporting—

“(i) under subchapter II of chapter 53 and the regulations promulgated under that subchapter; and

“(ii) with respect to other economic and trade sanctions requirements;

“(B) protect the financial system from illicit use, including evasions of existing economic and trade sanctions programs; and

“(C) facilitate two-way information exchange between OFAC and persons who are required to comply with sanctions administered and enforced by OFAC, including financial institutions, business sectors frequently affected by sanctions programs, and non-government organizations and humanitarian groups impacted by such sanctions programs.

“(3) REPORT.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, and once every 2 years thereafter for the next 5 years, the Secretary of the Treasury shall
submit to the Committees on Banking, Housing, and Urban Affairs and Foreign Relations of the Senate and the Committees on Financial Services and Foreign Affairs of the House of Representatives a report containing—

“(i) an analysis of the efforts undertaken by the OFAC Exchange, which shall include an analysis of—

“(I) the results of those efforts;

and

“(II) the extent and effectiveness of those efforts, including the extent and effectiveness of communication between OFAC and persons who are required to comply with sanctions administered and enforced by OFACs;

“(ii) recommendations to improve efficiency and effectiveness of targeting, compliance, enforcement and licensing activities undertake by OFAC; and

“(iii) any legislative, administrative, or other recommendations the Secretary may have to strengthen the efforts of the OFAC Exchange.
“(B) CLASSIFIED ANNEX.—Each report under subparagraph (A) may include a classified annex.

“(4) INFORMATION SHARING REQUIREMENT.—

Information shared under this subsection shall be shared—

“(A) in compliance with all other applicable Federal laws and regulations;

“(B) in such a manner as to ensure the appropriate confidentiality of personal information; and

“(C) at the discretion of the Director, with the appropriate Federal functional regulator, as defined in section of the Anti-Money Laundering Act of 2020.

“(5) PROTECTION OF SHARED INFORMATION.—

“(A) REGULATIONS.—OFAC shall, as appropriate, promulgate regulations that establish procedures for the protection of information shared and exchanged between OFAC and the private sector in accordance with this section, consistent with the capacity, size, and nature of the financial institution to which the particular procedures apply.
“(B) USE OF INFORMATION.—Information received by a financial institution pursuant to this section shall not be used for any purpose other than identifying and reporting on activities that may involve the financing of terrorism, proliferation financing, narcotics trafficking, or financing of sanctioned countries, regimes, or persons.

“(6) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to create new information sharing authorities or requirements relating to the Bank Secrecy Act.”.

(b) SCOPE OF THE MEETINGS OF THE SUPERVISORY TEAM ON COUNTERING ILLICIT FINANCE.—Section 6214(b) of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (31 U.S.C. 5311 note) is amended by striking “to combat the risk relating to proliferation financing” and inserting “for the purposes of countering illicit finance, including proliferation finance and sanctions evasion”.

(c) COMBATING RUSSIAN MONEY Laundering.—Section 9714 of the Combating Russian Money Laundering Act (Public Law 116–283) is amended—

(1) in subsection (a)(2), by striking “by” and inserting “involving”;
(2) by redesignating subsections (b) and (c) as subsections (f) and (g), respectively; and

(3) by inserting after subsection (a) the following:

“(b) Classfied Information.—In any judicial review of a finding of the existence of a primary money laundering concern, or of the requirement for 1 or more special measures with respect to a primary money laundering concern made under this section, if the designation or imposition, or both, were based on classified information (as defined in section 1(a) of the Classified Information Procedures Act (18 U.S.C. App.), such information may be submitted by the Secretary to the reviewing court ex parte and in camera. This subsection does not confer or imply any right to judicial review of any finding made or any requirement imposed under this section.

“(c) Availability of Information.—The exemptions from, and prohibitions on, search and disclosure provided in section 5319 of title 31, United States Code, shall apply to any report or record of report filed pursuant to a requirement imposed under subsection (a) of this section. For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of that section.
“(d) PENALTIES.—The penalties provided for in sections 5321 and 5322 of title 31, United States Code, that apply to violations of special measures imposed under section 5318A of title 31, United States Code, shall apply to violations of any order, regulation, special measure, or other requirement imposed under subsection (a) of this section, in the same manner and to the same extent as described in sections 5321 and 5322.

“(e) INJUNCTIONS.—The Secretary of the Treasury may bring a civil action to enjoin a violation of any order, regulation, special measure, or other requirement imposed under subsection (a) of this section in the same manner and to the same extent as described in section 5320 of title 31, United States Code.”.