

- SUBJECT:** Adding digital currency to definition of funds for money laundering
- COMMITTEE:** Criminal Jurisprudence — favorable, without amendment
- VOTE:** 9 ayes — Collier, Zedler, K. Bell, J. González, Hunter, P. King, Moody, Murr, Pacheco
- 0 nays
- WITNESSES:** For — (*Registered, but did not testify*: Shawna Simpson, Cannabis Open Carry Walks; M Paige Williams, Dallas County District Attorney John Creuzot)
- Against — (*Registered, but did not testify*: Jackie Nobles)
- On — (*Registered, but did not testify*: Kent Richardson, Office of the Attorney General)
- BACKGROUND:** Penal Code sec. 34.02(a)(3) establishes that a person commits the offense of money laundering if the person knowingly invests, expends, or receives the proceeds of criminal activity or funds that the person believes are the proceeds of criminal activity. Penalties for the offense range from a state jail felony (180 days to two years in a state jail and an optional fine of up to \$10,000) to a first degree felony (life in prison or a sentence of five to 99 years and an optional fine of up to \$10,000), depending on the value of the funds.
- Sec. 34.01(2) defines "funds" for the chapter's purposes to include coin or paper money, U.S. Treasury notes, and currency or its equivalent, including an electronic fund.
- It has been suggested that there is a need for better regulation of transactions including digital currency.
- DIGEST:** HB 981 would include digital currency in the Penal Code definition of "funds" for the purposes of the offense of money laundering.

The bill would take effect September 1, 2019, and would apply only to an offense committed on or after that date.