



## United States Senate

January 26, 2022

The Honorable Janet Yellen  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

The Honorable Charles P. Rettig  
Commissioner  
Internal Revenue Service  
1111 Constitution Avenue, NW  
Washington, D.C. 20224

Dear Secretary Yellen and Commissioner Rettig:

In light of the December 2021 Government Accountability Office (GAO) report, “Virtual Currencies: Additional Information Could Improve Federal Agency Efforts to Counter Human and Drug Trafficking,” I write to request information regarding your agencies’ plans to increase data collection with respect to combating these unlawful activities.

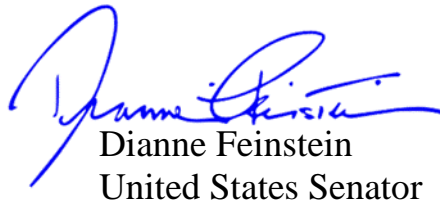
As you know, GAO’s report indicates that digital currencies can “facilitate illicit activities, including human and drug trafficking,” in large part due to the anonymity these currencies provide to their owners. However, according to the report, federal agencies may not be consistently capturing the data needed to help them prevent such activities, including with respect to so-called “cryptocurrency ATMs” that allow users to exchange digital currencies. GAO noted that your agencies agreed with its recommendations to review and update the registration requirements of digital currency exchanges and administrators that operate cryptocurrency ATMs. I therefore respectfully request responses to the following:

- Please describe the steps your agencies are currently taking, or planning to take, to implement GAO’s recommendations to better capture data on the use of digital currencies to facilitate drug and human trafficking.
- Please outline other actions you are considering taking—on your own or in cooperation with other agencies—to improve the tracking, sharing, and use of information regarding the use of digital currencies in human and drug trafficking and other illicit activities.

- Do you require any additional legislative authorities to implement GAO's recommendations or to take other actions you are taking or considering taking in this area?

I appreciate your commitment to combating these illicit activities, and look forward to your response. If you have any questions, please do not hesitate to contact me or have your staff contact Justin Schardin in my office.

Sincerely,



Dianne Feinstein  
United States Senator

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cc: Mr. Himamauli Das, Acting Director, Financial Crimes Enforcement Network