

119TH CONGRESS
1ST SESSION

S. _____

To amend title 31, United States Code, to subject certain art traders to provisions relating to records and reports on monetary instruments transactions

IN THE SENATE OF THE UNITED STATES

Mr. FETTERMAN (for himself, Mr. GRASSLEY, Mr. WHITEHOUSE, Mr. McCORMICK, Mr. KIM, and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend title 31, United States Code, to subject certain art traders to provisions relating to records and reports on monetary instruments transactions

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 “Art Market Integrity
5 Act”.

6 **SEC. 2. RECORDS AND REPORTS ON MONETARY INSTRU-**
7 **MENTS TRANSACTIONS.**

8 (a) RECORDS AND REPORTS.—

1 (1) IN GENERAL.—Section 5312 of title 31,
2 United States Code, is amended—

3 (A) in subsection (a)(2)—

4 (i) by redesignating subparagraphs
5 (Y) and (Z) as subparagraphs (Z) and
6 (AA), respectively; and

7 (ii) by inserting after subparagraph
8 (X) the following:

9 “(Y) a person engaged in the trade in
10 works of art, including a dealer, advisor, con-
11 sultant, custodian, gallery, auction house, mu-
12 seum, collector, or any other person who en-
13 gages as a business as an intermediary in the
14 sale of works of art, unless the person—

15 “(i) during the prior year, partici-
16 pated in no single transaction valued over
17 \$10,000 that involved a work of art;

18 “(ii) has not, during the prior year,
19 participated in total transactions valued at
20 \$50,000 that involved a work of art; or

21 “(iii) is a person engaged in the art
22 market for the sole purpose of selling
23 works of art created by the person.”; and

24 (B) in subsection (c), by adding at the end
25 the following:

1 “(2) WORK OF ART.—The term ‘work of art’
2 means any original painting, sculpture, watercolor,
3 print, drawing, photograph, installation art, or video
4 art, not including—

5 “(A) applied art such as product design,
6 fashion design, architectural design, or interior
7 design; or

8 “(B) mass-produced decorative art, includ-
9 ing ceramics, textiles, or carpets.”.

10 (2) EFFECTIVE DATE.—The amendments made
11 by paragraph (1) shall take effect on the earlier of—

12 (A) the effective date of the rules issued
13 under subsection (c); and

14 (B) the date that is 360 days after the
15 date of enactment of this Act.

16 (b) MANDATORY UPDATE TO TREASURY GUIDANCE
17 ON ART TRANSACTIONS.—

18 (1) IN GENERAL.—Not later than 360 days
19 after the date of enactment of this Act, the Sec-
20 retary of the Treasury shall issue updated guidance
21 to the advisory issued by the Office of Foreign Asset
22 Control on October 30, 2020, regarding the risks of
23 high-value artwork transactions involving sanctioned
24 persons or entities.

1 (2) INTERAGENCY COORDINATION.—The Sec-
2 retary of Treasury shall consult and coordinate with
3 appropriate Federal agencies to update the guidance
4 described in paragraph (1).

5 (c) RULEMAKING.—Not later than 180 days after the
6 date of enactment of this Act, the Secretary of the Treas-
7 ury (acting through the Director of the Financial Crimes
8 Enforcement Network), in consultation and coordination
9 with appropriate Federal agencies, shall issue proposed
10 rules to carry out the amendments made by subsection (a),
11 including—

12 (1) determining which persons should be sub-
13 ject to the rulemaking based on domestic or inter-
14 national geographical location;

15 (2) the degree to which the regulations should
16 apply based on status as an agent or intermediary
17 acting on behalf of a purchaser; and

18 (3) whether certain exemptions should apply to
19 the regulations.

20 (d) TECHNICAL AND CONFORMING AMENDMENTS.—
21 Section 6110(a) of the Anti-Money Laundering Act of
22 2020 (title LXI of division F of the William M. (Mac)
23 Thornberry National Defense Authorization Act for Fiscal
24 Year 2021 (Public Law 116–283; 134 Stat. 4561) is
25 amended—

1 (1) in paragraph (1)—

2 (A) in subparagraph (A)—

3 (i) by striking “subparagraphs (Z)
4 and (AA)” and inserting “subparagraphs
5 (AA) and (BB)”; and

6 (ii) by striking “subparagraphs (Y)
7 and (Z)” and inserting “subparagraphs
8 (Z) and (AA)”; and

9 (B) in subparagraph (B)—

10 (i) by striking “subparagraph (X)”
11 and inserting “subparagraph (Y)”; and

12 (ii) by striking ““(Y) a” and inserting
13 ““(X) a”; and

14 (2) in paragraph (2), by striking “Section
15 5312(a)(2)(Y)” and inserting “Section
16 5312(a)(2)(X)”.