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Deputy Attorney General Lisa O. Monaco Announces National Cryptocurrency Enforcement Team

Deputy Attorney General Lisa O. Monaco announced today the creation of a National Cryptocurrency Enforcement Team (NCET), to tackle complex investigations and prosecutions of criminal misuses of cryptocurrency, particularly crimes committed by virtual currency exchanges, mixing and tumbling services, and money laundering infrastructure actors. Under the supervision of Assistant Attorney General Kenneth A. Polite Jr., the NCET will combine the expertise of the Department of Justice Criminal Division's Money Laundering and Asset Recovery Section (MLARS), Computer Crime and Intellectual Property Section (CCIPS) and other sections in the division, with experts detailed from U.S. Attorneys' Offices. The team will also assist in tracing and recovery of assets lost to fraud and extortion, including cryptocurrency payments to ransomware groups.

"Today we are launching the National Cryptocurrency Enforcement Team to draw on the Department's cyber and money laundering expertise to strengthen our capacity to dismantle the financial entities that enable criminal actors to flourish — and quite frankly to profit — from abusing cryptocurrency platforms" said Deputy Attorney General Monaco. "As the technology advances, so too must the Department evolve with it so that we're poised to root out abuse on these platforms and ensure user confidence in these systems."

"The Criminal Division is already an established leader in investigating and prosecuting the criminal misuse of cryptocurrency," said Assistant Attorney General Polite. "The creation of this team will build on this leadership by combining and coordinating expertise across the Division in this continuously evolving field to investigate and prosecute the fraudulent misuse, illegal laundering, and other criminal activities involving cryptocurrencies."

The head of the NCET will report to the Assistant Attorney General in the Criminal Division and will be selected after an application process seeking an individual with experience with complex criminal investigations and prosecutions, as well as the technology underpinning cryptocurrencies and the blockchain. Once selected, the Team Leader will lead the team of attorneys from MLARS, CCIPS, and Assistant U.S. Attorneys (AUSAs) detailed from U.S. Attorneys' Offices across the country to identify, investigate, support, and pursue cases against cryptocurrency exchanges, infrastructure providers, and other entities that are enabling the misuse of cryptocurrency and related products to commit or facilitate criminal activity.

Importantly, the NCET will draw and build upon the established expertise across the Criminal Division to deter, disrupt, investigate, and prosecute criminal misuse of cryptocurrency, as well as to recover the illicit proceeds of those crimes whenever possible. Because cryptocurrency is used in a wide variety of criminal activity, from being the primary demand mechanism for ransomware payments, to money laundering and the operation of illegal or unregistered money services businesses, to being the preferred means of exchange of value on "dark markets" for illegal drugs, weapons, malware and other hacking tools, the NCET will foster the development of expertise in cryptocurrency and blockchain technologies across all aspects of the Department's work. The NCET will also play a critical support role for international, federal, state, local, tribal, and territorial law enforcement authorities grappling with these new technologies and new forms of criminal tradecraft.

National Cryptocurrency Enforcement Team Details

The NCET builds upon MLARS's Digital Currency Initiative and will be informed by the Department's Cryptocurrency Enforcement Framework, released in October 2020. Because crimes involving cryptocurrency can take many forms, the NCET will not only pursue its own cases, but also support existing and future cases brought across the Criminal Division and in the U.S. Attorneys' Offices across the country.

NCET team members will be drawn from three initial sources: MLARS, CCIPS, and detailees to the Criminal Division from U.S. Attorneys' Offices across the country. Team members will draw upon the expertise of their home offices while working collaboratively under the Team Leader to combine their expertise in financial systems, blockchain technology, tracing transactions, and applicable criminal statutes to address illegal activity involving cryptocurrency in a structured way. The NCET will:

- Investigate and prosecute cryptocurrency cases, comprising a central part of a nationwide enforcement effort to combat the use of cryptocurrency as an illicit tool.
- Develop strategic priorities for investigations and prosecutions involving cryptocurrency, in consultation with the USAOs, Department components, and investigative agencies involved in cryptocurrency investigations.
- Identify areas for increased investigative and prosecutorial focus, including professional money launderers, ransomware schemes, human traffickers, narcotics traffickers, and financial institutions working with cryptocurrency.
- Build and enhance relationships with cryptocurrency focused AUSAs and prosecutors with other Department litigating components and offices to pursue cryptocurrency investigations and prosecutions.
- Develop and maintain relationships with federal, state, local, and international law enforcement agencies that investigate and prosecute cryptocurrency cases.
- Train and advise federal prosecutors and law enforcement agencies in developing investigative and prosecutorial strategies. Such training and advice will include providing guidance concerning search and seizure warrants, restraining orders, criminal and civil forfeiture allegations, indictments, and other pleadings.
- Support the coordination and sharing of information and evidence among law enforcement offices to maximize the effectiveness of the Department's investigations, prosecutions, and forfeitures involving cryptocurrency.
- Collaborate and build relationships with private sector actors with expertise in cryptocurrency matters to further the criminal enforcement mission.

The NCET will work closely with other federal agencies, subject matter experts, and its law enforcement partners throughout the government.