

PENAL CODE

TITLE 7. OFFENSES AGAINST PROPERTY

CHAPTER 34. MONEY LAUNDERING

Sec. 34.01. DEFINITIONS. In this chapter:

(1) "Criminal activity" means any offense, including any preparatory offense, that is:

(A) classified as a felony under the laws of this state or the United States; or

(B) punishable by confinement for more than one year under the laws of another state.

(2) "Funds" includes:

(A) coin or paper money of the United States or any other country that is designated as legal tender and that circulates and is customarily used and accepted as a medium of exchange in the country of issue;

(B) United States silver certificates, United States Treasury notes, and Federal Reserve System notes;

(C) an official foreign bank note that is customarily used and accepted as a medium of exchange in a foreign country and a foreign bank draft; and

(D) currency or its equivalent, including an electronic fund, a personal check, a bank check, a traveler's check, a money order, a bearer negotiable instrument, a bearer investment security, a bearer security, a certificate of stock in a form that allows title to pass on delivery, a stored value card as defined by Section 604.001, Business & Commerce Code, or a digital currency.

(3) "Financial institution" has the meaning assigned by Section 32.01.

(4) "Proceeds" means funds acquired or derived directly or indirectly from, produced through, realized through, or used in the commission of:

(A) an act; or

(B) conduct that constitutes an offense under Section 151.7032, Tax Code.

Added by Acts 1993, 73rd Leg., ch. 761, Sec. 2, eff. Sept. 1, 1993.

Amended by:

Acts 2005, 79th Leg., Ch. 1162 (H.B. 3376), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 68 (S.B. 934), Sec. 7, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 928 (H.B. 1523), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1357 (S.B. 1451), Sec. 5, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 957 (S.B. 207), Sec. 1, eff. September 1, 2019.

Sec. 34.02. MONEY LAUNDERING. (a) A person commits an offense if the person knowingly:

(1) acquires or maintains an interest in, conceals, possesses, transfers, or transports the proceeds of criminal activity;

(2) conducts, supervises, or facilitates a transaction involving the proceeds of criminal activity;

(3) invests, expends, or receives, or offers to invest, expend, or receive, the proceeds of criminal activity or funds that the person believes are the proceeds of criminal activity; or

(4) finances or invests or intends to finance or invest funds that the person believes are intended to further the commission of criminal activity.

(a-1) Knowledge of the specific nature of the criminal activity giving rise to the proceeds is not required to establish a culpable mental state under this section.

(b) For purposes of this section, a person is presumed to believe that funds are the proceeds of or are intended to further the commission of criminal activity if a peace officer or a person acting at the direction of a peace officer represents to the person that the funds are proceeds of or are intended to further the commission of criminal activity, as applicable, regardless of whether the peace officer or person acting at the peace officer's direction discloses the person's status as a peace officer or that

the person is acting at the direction of a peace officer.

(c) It is a defense to prosecution under this section that the person acted with intent to facilitate the lawful seizure, forfeiture, or disposition of funds or other legitimate law enforcement purpose pursuant to the laws of this state or the United States.

(d) It is a defense to prosecution under this section that the transaction was necessary to preserve a person's right to representation as guaranteed by the Sixth Amendment of the United States Constitution and by Article 1, Section 10, of the Texas Constitution or that the funds were received as bona fide legal fees by a licensed attorney and at the time of their receipt, the attorney did not have actual knowledge that the funds were derived from criminal activity.

(e) An offense under this section is:

(1) a state jail felony if the value of the funds is \$2,500 or more but less than \$30,000;

(2) a felony of the third degree if the value of the funds is \$30,000 or more but less than \$150,000;

(3) a felony of the second degree if the value of the funds is \$150,000 or more but less than \$300,000; or

(4) a felony of the first degree if the value of the funds is \$300,000 or more.

(f) For purposes of this section, if proceeds of criminal activity are related to one scheme or continuing course of conduct, whether from the same or several sources, the conduct may be considered as one offense and the value of the proceeds aggregated in determining the classification of the offense.

(g) For purposes of this section, funds on deposit at a branch of a financial institution are considered the property of that branch and any other branch of the financial institution.

(h) If conduct that constitutes an offense under this section also constitutes an offense under any other law, the actor may be prosecuted under this section, the other law, or both.

Added by Acts 1993, 73rd Leg., ch. 761, Sec. 2, eff. Sept. 1, 1993.

Amended by:

Acts 2005, 79th Leg., Ch. 1162 (H.B. 3376), Sec. 2, eff.

September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1251 (H.B. 1396), Sec. 24, eff. September 1, 2015.

Sec. 34.021. PROTECTION FROM CIVIL LIABILITY. Notwithstanding Section 1.03(c), a financial institution or an agent of the financial institution acting in a manner described by Section 34.02(c) is not liable for civil damages to a person who:

(1) claims an ownership interest in funds involved in an offense under Section 34.02; or

(2) conducts with the financial institution or an insurer, as defined by Article 1.02, Insurance Code, a transaction concerning funds involved in an offense under Section 34.02.

Added by Acts 2005, 79th Leg., Ch. 1162 (H.B. 3376), Sec. 3, eff. September 1, 2005.

Sec. 34.03. ASSISTANCE BY ATTORNEY GENERAL. The attorney general, if requested to do so by a prosecuting attorney, may assist in the prosecution of an offense under this chapter.

Added by Acts 1993, 73rd Leg., ch. 761, Sec. 2, eff. Sept. 1, 1993.