

107<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3162

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IN THE SENATE OF THE UNITED STATES

OCTOBER 24, 2001

Received

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## AN ACT

To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the  
 3 “Uniting and Strengthening America by Providing Appro-  
 4 priate Tools Required to Intercept and Obstruct Ter-  
 5 rorism (USA PATRIOT ACT) Act of 2001”.

6 (b) **TABLE OF CONTENTS.**— The table of contents  
 7 for this Act is as follows:

Sec. 1. Short title and table of contents.  
 Sec. 2. Construction; severability.

**TITLE I—ENHANCING DOMESTIC SECURITY AGAINST TERRORISM**

Sec. 101. Counterterrorism fund.  
 Sec. 102. Sense of Congress condemning discrimination against Arab and Mus-  
 lim Americans.  
 Sec. 103. Increased funding for the technical support center at the Federal Bu-  
 reau of Investigation.  
 Sec. 104. Requests for military assistance to enforce prohibition in certain  
 emergencies.  
 Sec. 105. Expansion of National Electronic Crime Task Force Initiative.  
 Sec. 106. Presidential authority.

**TITLE II—ENHANCED SURVEILLANCE PROCEDURES**

Sec. 201. Authority to intercept wire, oral, and electronic communications relat-  
 ing to terrorism.  
 Sec. 202. Authority to intercept wire, oral, and electronic communications relat-  
 ing to computer fraud and abuse offenses.  
 Sec. 203. Authority to share criminal investigative information.  
 Sec. 204. Clarification of intelligence exceptions from limitations on intercep-  
 tion and disclosure of wire, oral, and electronic communica-  
 tions.  
 Sec. 205. Employment of translators by the Federal Bureau of Investigation.  
 Sec. 206. Roving surveillance authority under the Foreign Intelligence Surveil-  
 lance Act of 1978.  
 Sec. 207. Duration of FISA surveillance of non-United States persons who are  
 agents of a foreign power.  
 Sec. 208. Designation of judges.  
 Sec. 209. Seizure of voice-mail messages pursuant to warrants.  
 Sec. 210. Scope of subpoenas for records of electronic communications.  
 Sec. 211. Clarification of scope.  
 Sec. 212. Emergency disclosure of electronic communications to protect life and  
 limb.  
 Sec. 213. Authority for delaying notice of the execution of a warrant.  
 Sec. 214. Pen register and trap and trace authority under FISA.  
 Sec. 215. Access to records and other items under the Foreign Intelligence Sur-  
 veillance Act.

- Sec. 216. Modification of authorities relating to use of pen registers and trap and trace devices.
- Sec. 217. Interception of computer trespasser communications.
- Sec. 218. Foreign intelligence information.
- Sec. 219. Single-jurisdiction search warrants for terrorism.
- Sec. 220. Nationwide service of search warrants for electronic evidence.
- Sec. 221. Trade sanctions.
- Sec. 222. Assistance to law enforcement agencies.
- Sec. 223. Civil liability for certain unauthorized disclosures.
- Sec. 224. Sunset.
- Sec. 225. Immunity for compliance with FISA wiretap.

TITLE III—INTERNATIONAL MONEY LAUNDERING ABATEMENT  
AND ANTI-TERRORIST FINANCING ACT OF 2001

- Sec. 301. Short title.
- Sec. 302. Findings and purposes.
- Sec. 303. 4-year congressional review; expedited consideration.

Subtitle A—International Counter Money Laundering and Related Measures

- Sec. 311. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.
- Sec. 312. Special due diligence for correspondent accounts and private banking accounts.
- Sec. 313. Prohibition on United States correspondent accounts with foreign shell banks.
- Sec. 314. Cooperative efforts to deter money laundering.
- Sec. 315. Inclusion of foreign corruption offenses as money laundering crimes.
- Sec. 316. Anti-terrorist forfeiture protection.
- Sec. 317. Long-arm jurisdiction over foreign money launderers.
- Sec. 318. Laundering money through a foreign bank.
- Sec. 319. Forfeiture of funds in United States interbank accounts.
- Sec. 320. Proceeds of foreign crimes.
- Sec. 321. Financial institutions specified in subchapter II of chapter 53 of title 31, United States code.
- Sec. 322. Corporation represented by a fugitive.
- Sec. 323. Enforcement of foreign judgments.
- Sec. 324. Report and recommendation.
- Sec. 325. Concentration accounts at financial institutions.
- Sec. 326. Verification of identification.
- Sec. 327. Consideration of anti-money laundering record.
- Sec. 328. International cooperation on identification of originators of wire transfers.
- Sec. 329. Criminal penalties.
- Sec. 330. International cooperation in investigations of money laundering, financial crimes, and the finances of terrorist groups.

Subtitle B—Bank Secrecy Act Amendments and Related Improvements

- Sec. 351. Amendments relating to reporting of suspicious activities.
- Sec. 352. Anti-money laundering programs.
- Sec. 353. Penalties for violations of geographic targeting orders and certain recordkeeping requirements, and lengthening effective period of geographic targeting orders.
- Sec. 354. Anti-money laundering strategy.

- Sec. 355. Authorization to include suspicions of illegal activity in written employment references.
- Sec. 356. Reporting of suspicious activities by securities brokers and dealers; investment company study.
- Sec. 357. Special report on administration of bank secrecy provisions.
- Sec. 358. Bank secrecy provisions and activities of United States intelligence agencies to fight international terrorism.
- Sec. 359. Reporting of suspicious activities by underground banking systems.
- Sec. 360. Use of authority of United States Executive Directors.
- Sec. 361. Financial crimes enforcement network.
- Sec. 362. Establishment of highly secure network.
- Sec. 363. Increase in civil and criminal penalties for money laundering.
- Sec. 364. Uniform protection authority for Federal Reserve facilities.
- Sec. 365. Reports relating to coins and currency received in nonfinancial trade or business.
- Sec. 366. Efficient use of currency transaction report system.

#### Subtitle C—Currency Crimes and Protection

- Sec. 371. Bulk cash smuggling into or out of the United States.
- Sec. 372. Forfeiture in currency reporting cases.
- Sec. 373. Illegal money transmitting businesses.
- Sec. 374. Counterfeiting domestic currency and obligations.
- Sec. 375. Counterfeiting foreign currency and obligations.
- Sec. 376. Laundering the proceeds of terrorism.
- Sec. 377. Extraterritorial jurisdiction.

### TITLE IV—PROTECTING THE BORDER

#### Subtitle A—Protecting the Northern Border

- Sec. 401. Ensuring adequate personnel on the northern border.
- Sec. 402. Northern border personnel.
- Sec. 403. Access by the Department of State and the INS to certain identifying information in the criminal history records of visa applicants and applicants for admission to the United States.
- Sec. 404. Limited authority to pay overtime.
- Sec. 405. Report on the integrated automated fingerprint identification system for ports of entry and overseas consular posts.

#### Subtitle B—Enhanced Immigration Provisions

- Sec. 411. Definitions relating to terrorism.
- Sec. 412. Mandatory detention of suspected terrorists; habeas corpus; judicial review.
- Sec. 413. Multilateral cooperation against terrorists.
- Sec. 414. Visa integrity and security.
- Sec. 415. Participation of Office of Homeland Security on Entry-Exit Task Force.
- Sec. 416. Foreign student monitoring program.
- Sec. 417. Machine readable passports.
- Sec. 418. Prevention of consulate shopping.

#### Subtitle C—Preservation of Immigration Benefits for Victims of Terrorism

- Sec. 421. Special immigrant status.
- Sec. 422. Extension of filing or reentry deadlines.

- Sec. 423. Humanitarian relief for certain surviving spouses and children.
- Sec. 424. “Age-out” protection for children.
- Sec. 425. Temporary administrative relief.
- Sec. 426. Evidence of death, disability, or loss of employment.
- Sec. 427. No benefits to terrorists or family members of terrorists.
- Sec. 428. Definitions.

#### TITLE V—REMOVING OBSTACLES TO INVESTIGATING TERRORISM

- Sec. 501. Attorney General’s authority to pay rewards to combat terrorism.
- Sec. 502. Secretary of State’s authority to pay rewards.
- Sec. 503. DNA identification of terrorists and other violent offenders.
- Sec. 504. Coordination with law enforcement.
- Sec. 505. Miscellaneous national security authorities.
- Sec. 506. Extension of Secret Service jurisdiction.
- Sec. 507. Disclosure of educational records.
- Sec. 508. Disclosure of information from NCES surveys.

#### TITLE VI—PROVIDING FOR VICTIMS OF TERRORISM, PUBLIC SAFETY OFFICERS, AND THEIR FAMILIES

##### Subtitle A—Aid to Families of Public Safety Officers

- Sec. 611. Expedited payment for public safety officers involved in the prevention, investigation, rescue, or recovery efforts related to a terrorist attack.
- Sec. 612. Technical correction with respect to expedited payments for heroic public safety officers.
- Sec. 613. Public safety officers benefit program payment increase.
- Sec. 614. Office of Justice programs.

##### Subtitle B—Amendments to the Victims of Crime Act of 1984

- Sec. 621. Crime victims fund.
- Sec. 622. Crime victim compensation.
- Sec. 623. Crime victim assistance.
- Sec. 624. Victims of terrorism.

#### TITLE VII—INCREASED INFORMATION SHARING FOR CRITICAL INFRASTRUCTURE PROTECTION

- Sec. 711. Expansion of regional information sharing system to facilitate Federal-State-local law enforcement response related to terrorist attacks.

#### TITLE VIII—STRENGTHENING THE CRIMINAL LAWS AGAINST TERRORISM

- Sec. 801. Terrorist attacks and other acts of violence against mass transportation systems.
- Sec. 802. Definition of domestic terrorism.
- Sec. 803. Prohibition against harboring terrorists.
- Sec. 804. Jurisdiction over crimes committed at U.S. facilities abroad.
- Sec. 805. Material support for terrorism.
- Sec. 806. Assets of terrorist organizations.
- Sec. 807. Technical clarification relating to provision of material support to terrorism.
- Sec. 808. Definition of Federal crime of terrorism.

- Sec. 809. No statute of limitation for certain terrorism offenses.
- Sec. 810. Alternate maximum penalties for terrorism offenses.
- Sec. 811. Penalties for terrorist conspiracies.
- Sec. 812. Post-release supervision of terrorists.
- Sec. 813. Inclusion of acts of terrorism as racketeering activity.
- Sec. 814. Deterrence and prevention of cyberterrorism.
- Sec. 815. Additional defense to civil actions relating to preserving records in response to Government requests.
- Sec. 816. Development and support of cybersecurity forensic capabilities.
- Sec. 817. Expansion of the biological weapons statute.

#### TITLE IX—IMPROVED INTELLIGENCE

- Sec. 901. Responsibilities of Director of Central Intelligence regarding foreign intelligence collected under Foreign Intelligence Surveillance Act of 1978.
- Sec. 902. Inclusion of international terrorist activities within scope of foreign intelligence under National Security Act of 1947.
- Sec. 903. Sense of Congress on the establishment and maintenance of intelligence relationships to acquire information on terrorists and terrorist organizations.
- Sec. 904. Temporary authority to defer submittal to Congress of reports on intelligence and intelligence-related matters.
- Sec. 905. Disclosure to Director of Central Intelligence of foreign intelligence-related information with respect to criminal investigations.
- Sec. 906. Foreign terrorist asset tracking center.
- Sec. 907. National Virtual Translation Center.
- Sec. 908. Training of government officials regarding identification and use of foreign intelligence.

#### TITLE X—MISCELLANEOUS

- Sec. 1001. Review of the department of justice.
- Sec. 1002. Sense of congress.
- Sec. 1003. Definition of “electronic surveillance”.
- Sec. 1004. Venue in money laundering cases.
- Sec. 1005. First responders assistance act.
- Sec. 1006. Inadmissibility of aliens engaged in money laundering.
- Sec. 1007. Authorization of funds for dea police training in south and central asia.
- Sec. 1008. Feasibility study on use of biometric identifier scanning system with access to the fbi integrated automated fingerprint identification system at overseas consular posts and points of entry to the United States.
- Sec. 1009. Study of access.
- Sec. 1010. Temporary authority to contract with local and State governments for performance of security functions at United States military installations.
- Sec. 1011. Crimes against charitable americans.
- Sec. 1012. Limitation on issuance of hazmat licenses.
- Sec. 1013. Expressing the sense of the senate concerning the provision of funding for bioterrorism preparedness and response.
- Sec. 1014. Grant program for State and local domestic preparedness support.
- Sec. 1015. Expansion and reauthorization of the crime identification technology act for antiterrorism grants to States and localities.
- Sec. 1016. Critical infrastructures protection.

1 **SEC. 2. CONSTRUCTION; SEVERABILITY.**

2 Any provision of this Act held to be invalid or unen-  
3 forceable by its terms, or as applied to any person or cir-  
4 cumstance, shall be construed so as to give it the max-  
5 imum effect permitted by law, unless such holding shall  
6 be one of utter invalidity or unenforceability, in which  
7 event such provision shall be deemed severable from this  
8 Act and shall not affect the remainder thereof or the appli-  
9 cation of such provision to other persons not similarly situ-  
10 ated or to other, dissimilar circumstances.

11 **TITLE I—ENHANCING DOMESTIC**  
12 **SECURITY AGAINST TERRORISM**

13 **SEC. 101. COUNTERTERRORISM FUND.**

14 (a) ESTABLISHMENT; AVAILABILITY.—There is here-  
15 by established in the Treasury of the United States a sepa-  
16 rate fund to be known as the “Counterterrorism Fund”,  
17 amounts in which shall remain available without fiscal  
18 year limitation—

19 (1) to reimburse any Department of Justice  
20 component for any costs incurred in connection  
21 with—

22 (A) reestablishing the operational capa-  
23 bility of an office or facility that has been dam-  
24 aged or destroyed as the result of any domestic  
25 or international terrorism incident;

1 (B) providing support to counter, inves-  
2 tigate, or prosecute domestic or international  
3 terrorism, including, without limitation, paying  
4 rewards in connection with these activities; and

5 (C) conducting terrorism threat assess-  
6 ments of Federal agencies and their facilities;  
7 and

8 (2) to reimburse any department or agency of  
9 the Federal Government for any costs incurred in  
10 connection with detaining in foreign countries indi-  
11 viduals accused of acts of terrorism that violate the  
12 laws of the United States.

13 (b) NO EFFECT ON PRIOR APPROPRIATIONS.—Sub-  
14 section (a) shall not be construed to affect the amount  
15 or availability of any appropriation to the  
16 Counterterrorism Fund made before the date of the enact-  
17 ment of this Act.

18 **SEC. 102. SENSE OF CONGRESS CONDEMNING DISCRIMINA-**  
19 **TION AGAINST ARAB AND MUSLIM AMERI-**  
20 **CANS.**

21 (a) FINDINGS.—Congress makes the following find-  
22 ings:

23 (1) Arab Americans, Muslim Americans, and  
24 Americans from South Asia play a vital role in our



1 Nation and are entitled to nothing less than the full  
2 rights of every American.

3 (2) The acts of violence that have been taken  
4 against Arab and Muslim Americans since the Sep-  
5 tember 11, 2001, attacks against the United States  
6 should be and are condemned by all Americans who  
7 value freedom.

8 (3) The concept of individual responsibility for  
9 wrongdoing is sacrosanct in American society, and  
10 applies equally to all religious, racial, and ethnic  
11 groups.

12 (4) When American citizens commit acts of vio-  
13 lence against those who are, or are perceived to be,  
14 of Arab or Muslim descent, they should be punished  
15 to the full extent of the law.

16 (5) Muslim Americans have become so fearful  
17 of harassment that many Muslim women are chang-  
18 ing the way they dress to avoid becoming targets.

19 (6) Many Arab Americans and Muslim Ameri-  
20 cans have acted heroically during the attacks on the  
21 United States, including Mohammed Salman  
22 Hamdani, a 23-year-old New Yorker of Pakistani  
23 descent, who is believed to have gone to the World  
24 Trade Center to offer rescue assistance and is now  
25 missing.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-  
2 gress that—

3 (1) the civil rights and civil liberties of all  
4 Americans, including Arab Americans, Muslim  
5 Americans, and Americans from South Asia, must  
6 be protected, and that every effort must be taken to  
7 preserve their safety;

8 (2) any acts of violence or discrimination  
9 against any Americans be condemned; and

10 (3) the Nation is called upon to recognize the  
11 patriotism of fellow citizens from all ethnic, racial,  
12 and religious backgrounds.

13 **SEC. 103. INCREASED FUNDING FOR THE TECHNICAL SUP-**  
14 **PORT CENTER AT THE FEDERAL BUREAU OF**  
15 **INVESTIGATION.**

16 There are authorized to be appropriated for the Tech-  
17 nical Support Center established in section 811 of the  
18 Antiterrorism and Effective Death Penalty Act of 1996  
19 (Public Law 104–132) to help meet the demands for ac-  
20 tivities to combat terrorism and support and enhance the  
21 technical support and tactical operations of the FBI,  
22 \$200,000,000 for each of the fiscal years 2002, 2003, and  
23 2004.

1 **SEC. 104. REQUESTS FOR MILITARY ASSISTANCE TO EN-**  
2 **FORCE PROHIBITION IN CERTAIN EMER-**  
3 **GENCIES.**

4 Section 2332e of title 18, United States Code, is  
5 amended—

6 (1) by striking “2332e” and inserting “2332a”;

7 and

8 (2) by striking “chemical”.

9 **SEC. 105. EXPANSION OF NATIONAL ELECTRONIC CRIME**  
10 **TASK FORCE INITIATIVE.**

11 The Director of the United States Secret Service  
12 shall take appropriate actions to develop a national net-  
13 work of electronic crime task forces, based on the New  
14 York Electronic Crimes Task Force model, throughout the  
15 United States, for the purpose of preventing, detecting,  
16 and investigating various forms of electronic crimes, in-  
17 cluding potential terrorist attacks against critical infra-  
18 structure and financial payment systems.

19 **SEC. 106. PRESIDENTIAL AUTHORITY.**

20 Section 203 of the International Emergency Powers  
21 Act (50 U.S.C. 1702) is amended—

22 (1) in subsection (a)(1)—

23 (A) at the end of subparagraph (A) (flush  
24 to that subparagraph), by striking “; and” and  
25 inserting a comma and the following:

1 “by any person, or with respect to any property,  
2 subject to the jurisdiction of the United States;”;

3 (B) in subparagraph (B)—

4 (i) by inserting “, block during the  
5 pendency of an investigation” after “inves-  
6 tigate”; and

7 (ii) by striking “interest;” and insert-  
8 ing “interest by any person, or with re-  
9 spect to any property, subject to the juris-  
10 diction of the United States; and”;

11 (C) by striking “by any person, or with re-  
12 spect to any property, subject to the jurisdiction  
13 of the United States;” and

14 (D) by inserting at the end the following:

15 “(C) when the United States is engaged in  
16 armed hostilities or has been attacked by a for-  
17 eign country or foreign nationals, confiscate any  
18 property, subject to the jurisdiction of the  
19 United States, of any foreign person, foreign  
20 organization, or foreign country that he deter-  
21 mines has planned, authorized, aided, or en-  
22 gaged in such hostilities or attacks against the  
23 United States; and all right, title, and interest  
24 in any property so confiscated shall vest, when,  
25 as, and upon the terms directed by the Presi-

1           dent, in such agency or person as the President  
2           may designate from time to time, and upon  
3           such terms and conditions as the President may  
4           prescribe, such interest or property shall be  
5           held, used, administered, liquidated, sold, or  
6           otherwise dealt with in the interest of and for  
7           the benefit of the United States, and such des-  
8           ignated agency or person may perform any and  
9           all acts incident to the accomplishment or fur-  
10          therance of these purposes.”; and

11          (2) by inserting at the end the following:

12          “(c) CLASSIFIED INFORMATION.—In any judicial re-  
13 view of a determination made under this section, if the  
14 determination was based on classified information (as de-  
15 fined in section 1(a) of the Classified Information Proce-  
16 dures Act) such information may be submitted to the re-  
17 viewing court ex parte and in camera. This subsection does  
18 not confer or imply any right to judicial review.”.

19                           **TITLE II—ENHANCED**  
20                   **SURVEILLANCE PROCEDURES**

21   **SEC. 201. AUTHORITY TO INTERCEPT WIRE, ORAL, AND**  
22                           **ELECTRONIC COMMUNICATIONS RELATING**  
23                           **TO TERRORISM.**

24          Section 2516(1) of title 18, United States Code, is  
25 amended—



1 **SEC. 203. AUTHORITY TO SHARE CRIMINAL INVESTIGATIVE**  
2 **INFORMATION.**

3 (a) AUTHORITY TO SHARE GRAND JURY INFORMA-  
4 TION.—

5 (1) IN GENERAL.—Rule 6(e)(3)(C) of the Fed-  
6 eral Rules of Criminal Procedure is amended to read  
7 as follows:

8 “(C)(i) Disclosure otherwise prohibited by  
9 this rule of matters occurring before the grand  
10 jury may also be made—

11 “(I) when so directed by a court pre-  
12 liminarily to or in connection with a judi-  
13 cial proceeding;

14 “(II) when permitted by a court at  
15 the request of the defendant, upon a show-  
16 ing that grounds may exist for a motion to  
17 dismiss the indictment because of matters  
18 occurring before the grand jury;

19 “(III) when the disclosure is made by  
20 an attorney for the government to another  
21 Federal grand jury;

22 “(IV) when permitted by a court at  
23 the request of an attorney for the govern-  
24 ment, upon a showing that such matters  
25 may disclose a violation of state criminal  
26 law, to an appropriate official of a state or

1 subdivision of a state for the purpose of  
2 enforcing such law; or

3 “(V) when the matters involve foreign  
4 intelligence or counterintelligence (as de-  
5 fined in section 3 of the National Security  
6 Act of 1947 (50 U.S.C. 401a)), or foreign  
7 intelligence information (as defined in  
8 clause (iv) of this subparagraph), to any  
9 Federal law enforcement, intelligence, pro-  
10 tective, immigration, national defense, or  
11 national security official in order to assist  
12 the official receiving that information in  
13 the performance of his official duties.

14 “(ii) If the court orders disclosure of mat-  
15 ters occurring before the grand jury, the dislo-  
16 sure shall be made in such manner, at such  
17 time, and under such conditions as the court  
18 may direct.

19 “(iii) Any Federal official to whom infor-  
20 mation is disclosed pursuant to clause (i)(V) of  
21 this subparagraph may use that information  
22 only as necessary in the conduct of that per-  
23 son’s official duties subject to any limitations  
24 on the unauthorized disclosure of such informa-  
25 tion. Within a reasonable time after such dislo-



1           sure, an attorney for the government shall file  
2           under seal a notice with the court stating the  
3           fact that such information was disclosed and  
4           the departments, agencies, or entities to which  
5           the disclosure was made.

6           “(iv) In clause (i)(V) of this subparagraph,  
7           the term ‘foreign intelligence information’  
8           means—

9                   “(I) information, whether or not con-  
10                   cerning a United States person, that re-  
11                   lates to the ability of the United States to  
12                   protect against—

13                           “(aa) actual or potential attack  
14                           or other grave hostile acts of a foreign  
15                           power or an agent of a foreign power;

16                           “(bb) sabotage or international  
17                           terrorism by a foreign power or an  
18                           agent of a foreign power; or

19                           “(cc) clandestine intelligence ac-  
20                           tivities by an intelligence service or  
21                           network of a foreign power or by an  
22                           agent of foreign power; or

23                   “(II) information, whether or not con-  
24                   cerning a United States person, with re-

1                   spect to a foreign power or foreign terri-  
2                   tory that relates to—

3                               “(aa) the national defense or the  
4                               security of the United States; or

5                               “(bb) the conduct of the foreign  
6                               affairs of the United States.”.

7                   (2)       CONFORMING        AMENDMENT.—Rule  
8                   6(e)(3)(D) of the Federal Rules of Criminal Proce-  
9                   dure is amended by striking “(e)(3)(C)(i)” and in-  
10                  serting “(e)(3)(C)(i)(I)”.

11                  (b) AUTHORITY TO SHARE ELECTRONIC, WIRE, AND  
12 ORAL INTERCEPTION INFORMATION.—

13                   (1) LAW ENFORCEMENT.—Section 2517 of title  
14                   18, United States Code, is amended by inserting at  
15                   the end the following:

16                   “(6) Any investigative or law enforcement officer, or  
17 attorney for the Government, who by any means author-  
18 ized by this chapter, has obtained knowledge of the con-  
19 tents of any wire, oral, or electronic communication, or  
20 evidence derived therefrom, may disclose such contents to  
21 any other Federal law enforcement, intelligence, protec-  
22 tive, immigration, national defense, or national security of-  
23 ficial to the extent that such contents include foreign intel-  
24 ligence or counterintelligence (as defined in section 3 of  
25 the National Security Act of 1947 (50 U.S.C. 401a)), or

1 foreign intelligence information (as defined in subsection  
2 (19) of section 2510 of this title), to assist the official  
3 who is to receive that information in the performance of  
4 his official duties. Any Federal official who receives infor-  
5 mation pursuant to this provision may use that informa-  
6 tion only as necessary in the conduct of that person’s offi-  
7 cial duties subject to any limitations on the unauthorized  
8 disclosure of such information.”.

9           (2) DEFINITION.—Section 2510 of title 18,  
10 United States Code, is amended by—

11           (A) in paragraph (17), by striking “and”  
12 after the semicolon;

13           (B) in paragraph (18), by striking the pe-  
14 riod and inserting “; and”; and

15           (C) by inserting at the end the following:

16           “(19) ‘foreign intelligence information’ means—

17           “(A) information, whether or not con-  
18 cerning a United States person, that relates to  
19 the ability of the United States to protect  
20 against—

21           “(i) actual or potential attack or other  
22 grave hostile acts of a foreign power or an  
23 agent of a foreign power;

1                   “(ii) sabotage or international ter-  
2                   rorism by a foreign power or an agent of  
3                   a foreign power; or

4                   “(iii) clandestine intelligence activities  
5                   by an intelligence service or network of a  
6                   foreign power or by an agent of a foreign  
7                   power; or

8                   “(B) information, whether or not con-  
9                   cerning a United States person, with respect to  
10                  a foreign power or foreign territory that relates  
11                  to—

12                   “(i) the national defense or the secu-  
13                   rity of the United States; or

14                   “(ii) the conduct of the foreign affairs  
15                   of the United States.”.

16                  (c) PROCEDURES.—The Attorney General shall es-  
17                  tablish procedures for the disclosure of information pursu-  
18                  ant to section 2517(6) and Rule 6(e)(3)(C)(i)(V) of the  
19                  Federal Rules of Criminal Procedure that identifies a  
20                  United States person, as defined in section 101 of the For-  
21                  eign Intelligence Surveillance Act of 1978 (50 U.S.C.  
22                  1801)).

23                  (d) FOREIGN INTELLIGENCE INFORMATION.—

24                   (1) IN GENERAL.—Notwithstanding any other  
25                  provision of law, it shall be lawful for foreign intel-

1       ligence or counterintelligence (as defined in section  
2       3 of the National Security Act of 1947 (50 U.S.C.  
3       401a)) or foreign intelligence information obtained  
4       as part of a criminal investigation to be disclosed to  
5       any Federal law enforcement, intelligence, protective,  
6       immigration, national defense, or national security  
7       official in order to assist the official receiving that  
8       information in the performance of his official duties.  
9       Any Federal official who receives information pursu-  
10      ant to this provision may use that information only  
11      as necessary in the conduct of that person’s official  
12      duties subject to any limitations on the unauthorized  
13      disclosure of such information.

14               (2) DEFINITION.—In this subsection, the term  
15      “foreign intelligence information” means—

16                   (A) information, whether or not concerning  
17                   a United States person, that relates to the abil-  
18                   ity of the United States to protect against—

19                           (i) actual or potential attack or other  
20                           grave hostile acts of a foreign power or an  
21                           agent of a foreign power;

22                           (ii) sabotage or international ter-  
23                           rorism by a foreign power or an agent of  
24                           a foreign power; or

1 (iii) clandestine intelligence activities  
2 by an intelligence service or network of a  
3 foreign power or by an agent of a foreign  
4 power; or

5 (B) information, whether or not concerning  
6 a United States person, with respect to a for-  
7 eign power or foreign territory that relates to—

8 (i) the national defense or the security  
9 of the United States; or

10 (ii) the conduct of the foreign affairs  
11 of the United States.

12 **SEC. 204. CLARIFICATION OF INTELLIGENCE EXCEPTIONS**  
13 **FROM LIMITATIONS ON INTERCEPTION AND**  
14 **DISCLOSURE OF WIRE, ORAL, AND ELEC-**  
15 **TRONIC COMMUNICATIONS.**

16 Section 2511(2)(f) of title 18, United States Code,  
17 is amended—

18 (1) by striking “this chapter or chapter 121”  
19 and inserting “this chapter or chapter 121 or 206  
20 of this title”; and

21 (2) by striking “wire and oral” and inserting  
22 “wire, oral, and electronic”.

1 **SEC. 205. EMPLOYMENT OF TRANSLATORS BY THE FED-**  
2 **ERAL BUREAU OF INVESTIGATION.**

3 (a) **AUTHORITY.**—The Director of the Federal Bu-  
4 reau of Investigation is authorized to expedite the employ-  
5 ment of personnel as translators to support  
6 counterterrorism investigations and operations without re-  
7 gard to applicable Federal personnel requirements and  
8 limitations.

9 (b) **SECURITY REQUIREMENTS.**—The Director of the  
10 Federal Bureau of Investigation shall establish such secu-  
11 rity requirements as are necessary for the personnel em-  
12 ployed as translators under subsection (a).

13 (c) **REPORT.**—The Attorney General shall report to  
14 the Committees on the Judiciary of the House of Rep-  
15 resentatives and the Senate on—

16 (1) the number of translators employed by the  
17 FBI and other components of the Department of  
18 Justice;

19 (2) any legal or practical impediments to using  
20 translators employed by other Federal, State, or  
21 local agencies, on a full, part-time, or shared basis;  
22 and

23 (3) the needs of the FBI for specific translation  
24 services in certain languages, and recommendations  
25 for meeting those needs.

1 **SEC. 206. ROVING SURVEILLANCE AUTHORITY UNDER THE**  
2 **FOREIGN INTELLIGENCE SURVEILLANCE ACT**  
3 **OF 1978.**

4 Section 105(c)(2)(B) of the Foreign Intelligence Sur-  
5 veillance Act of 1978 (50 U.S.C. 1805(c)(2)(B)) is amend-  
6 ed by inserting “, or in circumstances where the Court  
7 finds that the actions of the target of the application may  
8 have the effect of thwarting the identification of a speci-  
9 fied person, such other persons,” after “specified person”.

10 **SEC. 207. DURATION OF FISA SURVEILLANCE OF NON-**  
11 **UNITED STATES PERSONS WHO ARE AGENTS**  
12 **OF A FOREIGN POWER.**

13 (a) DURATION.—

14 (1) SURVEILLANCE.—Section 105(e)(1) of the  
15 Foreign Intelligence Surveillance Act of 1978 (50  
16 U.S.C. 1805(e)(1)) is amended by—

17 (A) inserting “(A)” after “except that”;

18 and

19 (B) inserting before the period the fol-  
20 lowing: “, and (B) an order under this Act for  
21 a surveillance targeted against an agent of a  
22 foreign power, as defined in section  
23 101(b)(1)(A) may be for the period specified in  
24 the application or for 120 days, whichever is  
25 less”.



1           (2) PHYSICAL SEARCH.—Section 304(d)(1) of the  
2 Foreign Intelligence Surveillance Act of 1978 (50 U.S.C.  
3 1824(d)(1)) is amended by—

4           (A) striking “forty-five” and inserting “90”;

5           (B) inserting “(A)” after “except that”; and

6           (C) inserting before the period the following: “,  
7 and (B) an order under this section for a physical  
8 search targeted against an agent of a foreign power  
9 as defined in section 101(b)(1)(A) may be for the  
10 period specified in the application or for 120 days,  
11 whichever is less”.

12          (b) EXTENSION.—

13           (1) IN GENERAL.—Section 105(d)(2) of the  
14 Foreign Intelligence Surveillance Act of 1978 (50  
15 U.S.C. 1805(d)(2)) is amended by—

16           (A) inserting “(A)” after “except that”;

17           and

18           (B) inserting before the period the fol-  
19 lowing: “, and (B) an extension of an order  
20 under this Act for a surveillance targeted  
21 against an agent of a foreign power as defined  
22 in section 101(b)(1)(A) may be for a period not  
23 to exceed 1 year”.

24           (2) DEFINED TERM.—Section 304(d)(2) of the  
25 Foreign Intelligence Surveillance Act of 1978 (50

1 U.S.C. 1824(d)(2) is amended by inserting after  
2 “not a United States person,” the following: “or  
3 against an agent of a foreign power as defined in  
4 section 101(b)(1)(A),”.

5 **SEC. 208. DESIGNATION OF JUDGES.**

6 Section 103(a) of the Foreign Intelligence Surveil-  
7 lance Act of 1978 (50 U.S.C. 1803(a)) is amended by—  
8 (1) striking “seven district court judges” and  
9 inserting “11 district court judges”; and  
10 (2) inserting “of whom no fewer than 3 shall  
11 reside within 20 miles of the District of Columbia”  
12 after “circuits”.

13 **SEC. 209. SEIZURE OF VOICE-MAIL MESSAGES PURSUANT**  
14 **TO WARRANTS.**

15 Title 18, United States Code, is amended—  
16 (1) in section 2510—  
17 (A) in paragraph (1), by striking beginning  
18 with “and such” and all that follows through  
19 “communication”; and  
20 (B) in paragraph (14), by inserting “wire  
21 or” after “transmission of”; and  
22 (2) in subsections (a) and (b) of section 2703—  
23 (A) by striking “CONTENTS OF ELEC-  
24 TRONIC” and inserting “CONTENTS OF WIRE OR  
25 ELECTRONIC” each place it appears;

1 (B) by striking “contents of an electronic”  
2 and inserting “contents of a wire or electronic”  
3 each place it appears; and

4 (C) by striking “any electronic” and in-  
5 serting “any wire or electronic” each place it  
6 appears.

7 **SEC. 210. SCOPE OF SUBPOENAS FOR RECORDS OF ELEC-**  
8 **TRONIC COMMUNICATIONS.**

9 Section 2703(c)(2) of title 18, United States Code,  
10 as redesignated by section 212, is amended—

11 (1) by striking “entity the name, address, local  
12 and long distance telephone toll billing records, tele-  
13 phone number or other subscriber number or iden-  
14 tity, and length of service of a subscriber” and in-  
15 serting the following: “entity the—

16 “(A) name;

17 “(B) address;

18 “(C) local and long distance telephone connec-  
19 tion records, or records of session times and dura-  
20 tions;

21 “(D) length of service (including start date)  
22 and types of service utilized;

23 “(E) telephone or instrument number or other  
24 subscriber number or identity, including any tempo-  
25 rarily assigned network address; and

1           “(F) means and source of payment for such  
2           service (including any credit card or bank account  
3           number),  
4           of a subscriber”]; and

5           (2) by striking “and the types of services the  
6           subscriber or customer utilized,”.

7   **SEC. 211. CLARIFICATION OF SCOPE.**

8           Section 631 of the Communications Act of 1934 (47  
9   U.S.C. 551) is amended—

10           (1) in subsection (c)(2)—

11                   (A) in subparagraph (B), by striking “or”;

12                   (B) in subparagraph (C), by striking the  
13           period at the end and inserting “; or”; and

14                   (C) by inserting at the end the following:

15                   “(D) to a government entity as authorized  
16           under chapters 119, 121, or 206 of title 18, United  
17           States Code, except that such disclosure shall not in-  
18           clude records revealing cable subscriber selection of  
19           video programming from a cable operator.”; and

20           (2) in subsection (h), by striking “A govern-  
21           mental entity” and inserting “Except as provided in  
22           subsection (c)(2)(D), a governmental entity”.

23   **SEC. 212. EMERGENCY DISCLOSURE OF ELECTRONIC COM-**  
24                   **MUNICATIONS TO PROTECT LIFE AND LIMB.**

25           (a) DISCLOSURE OF CONTENTS.—

1           (1) IN GENERAL.—Section 2702 of title 18,  
2           United States Code, is amended—

3                   (A) by striking the section heading and in-  
4                   serting the following:

5           **“§ 2702. Voluntary disclosure of customer commu-  
6                   nications or records”;**

7                   (B) in subsection (a)—

8                           (i) in paragraph (2)(A), by striking  
9                           “and” at the end;

10                           (ii) in paragraph (2)(B), by striking  
11                           the period and inserting “; and”; and

12                           (iii) by inserting after paragraph (2)  
13                           the following:

14                   “(3) a provider of remote computing service or  
15                   electronic communication service to the public shall  
16                   not knowingly divulge a record or other information  
17                   pertaining to a subscriber to or customer of such  
18                   service (not including the contents of communica-  
19                   tions covered by paragraph (1) or (2)) to any gov-  
20                   ernmental entity.”;

21                   (C) in subsection (b), by striking “EXCEP-  
22                   TIONS.—A person or entity” and inserting “EX-  
23                   CEPTIONS FOR DISCLOSURE OF COMMUNICA-  
24                   TIONS.— A provider described in subsection  
25                   (a)”;

1 (D) in subsection (b)(6)—

2 (i) in subparagraph (A)(ii), by strik-  
3 ing “or”;

4 (ii) in subparagraph (B), by striking  
5 the period and inserting “; or”; and

6 (iii) by adding after subparagraph (B)  
7 the following:

8 “(C) if the provider reasonably believes  
9 that an emergency involving immediate danger  
10 of death or serious physical injury to any per-  
11 son requires disclosure of the information with-  
12 out delay.”; and

13 (E) by inserting after subsection (b) the  
14 following:

15 “(c) EXCEPTIONS FOR DISCLOSURE OF CUSTOMER  
16 RECORDS.—A provider described in subsection (a) may di-  
17 vulge a record or other information pertaining to a sub-  
18 scriber to or customer of such service (not including the  
19 contents of communications covered by subsection (a)(1)  
20 or (a)(2))—

21 “(1) as otherwise authorized in section 2703;

22 “(2) with the lawful consent of the customer or  
23 subscriber;

1           “(3) as may be necessarily incident to the ren-  
2           dition of the service or to the protection of the rights  
3           or property of the provider of that service;

4           “(4) to a governmental entity, if the provider  
5           reasonably believes that an emergency involving im-  
6           mediate danger of death or serious physical injury to  
7           any person justifies disclosure of the information; or

8           “(5) to any person other than a governmental  
9           entity.”.

10           (2) TECHNICAL AND CONFORMING AMEND-  
11           MENT.—The table of sections for chapter 121 of  
12           title 18, United States Code, is amended by striking  
13           the item relating to section 2702 and inserting the  
14           following:

“2702. Voluntary disclosure of customer communications or records.”.

15           (b) REQUIREMENTS FOR GOVERNMENT ACCESS.—

16           (1) IN GENERAL.—Section 2703 of title 18,  
17           United States Code, is amended—

18                   (A) by striking the section heading and in-  
19                   serting the following:

20           **“§ 2703. Required disclosure of customer communica-**  
21           **tions or records”;**

22                   (B) in subsection (c) by redesignating  
23                   paragraph (2) as paragraph (3);

24                   (C) in subsection (c)(1)—

1 (i) by striking “(A) Except as pro-  
2 vided in subparagraph (B), a provider of  
3 electronic communication service or remote  
4 computing service may” and inserting “A  
5 governmental entity may require a provider  
6 of electronic communication service or re-  
7 mote computing service to”;

8 (ii) by striking “covered by subsection  
9 (a) or (b) of this section) to any person  
10 other than a governmental entity.

11 “(B) A provider of electronic communica-  
12 tion service or remote computing service shall  
13 disclose a record or other information per-  
14 taining to a subscriber to or customer of such  
15 service (not including the contents of commu-  
16 nications covered by subsection (a) or (b) of  
17 this section) to a governmental entity” and in-  
18 serting “);”;

19 (iii) by redesignating subparagraph  
20 (C) as paragraph (2);

21 (iv) by redesignating clauses (i), (ii),  
22 (iii), and (iv) as subparagraphs (A), (B),  
23 (C), and (D), respectively;



1 (v) in subparagraph (D) (as redesignig-  
 2 nated) by striking the period and inserting  
 3 “; or”; and

4 (vi) by inserting after subparagraph  
 5 (D) (as redesignated) the following:

6 “(E) seeks information under paragraph  
 7 (2).”; and

8 (D) in paragraph (2) (as redesignated) by  
 9 striking “subparagraph (B)” and insert “para-  
 10 graph (1)”.

11 (2) TECHNICAL AND CONFORMING AMEND-  
 12 MENT.—The table of sections for chapter 121 of  
 13 title 18, United States Code, is amended by striking  
 14 the item relating to section 2703 and inserting the  
 15 following:

“2703. Required disclosure of customer communications or records.”.

16 **SEC. 213. AUTHORITY FOR DELAYING NOTICE OF THE EXE-**  
 17 **CUTION OF A WARRANT.**

18 Section 3103a of title 18, United States Code, is  
 19 amended—

20 (1) by inserting “(a) IN GENERAL.—” before  
 21 “In addition”; and

22 (2) by adding at the end the following:

23 “(b) DELAY.—With respect to the issuance of any  
 24 warrant or court order under this section, or any other  
 25 rule of law, to search for and seize any property or mate-

1 rial that constitutes evidence of a criminal offense in viola-  
2 tion of the laws of the United States, any notice required,  
3 or that may be required, to be given may be delayed if—

4           “(1) the court finds reasonable cause to believe  
5 that providing immediate notification of the execu-  
6 tion of the warrant may have an adverse result (as  
7 defined in section 2705);

8           “(2) the warrant prohibits the seizure of any  
9 tangible property, any wire or electronic communica-  
10 tion (as defined in section 2510), or, except as ex-  
11 pressly provided in chapter 121, any stored wire or  
12 electronic information, except where the court finds  
13 reasonable necessity for the seizure; and

14           “(3) the warrant provides for the giving of such  
15 notice within a reasonable period of its execution,  
16 which period may thereafter be extended by the  
17 court for good cause shown.”.

18 **SEC. 214. PEN REGISTER AND TRAP AND TRACE AUTHOR-**  
19 **ITY UNDER FISA.**

20           (a) APPLICATIONS AND ORDERS.—Section 402 of the  
21 Foreign Intelligence Surveillance Act of 1978 (50 U.S.C.  
22 1842) is amended—

23           (1) in subsection (a)(1), by striking “for any in-  
24 vestigation to gather foreign intelligence information  
25 or information concerning international terrorism”

1 and inserting “for any investigation to obtain for-  
2 eign intelligence information not concerning a  
3 United States person or to protect against inter-  
4 national terrorism or clandestine intelligence activi-  
5 ties, provided that such investigation of a United  
6 States person is not conducted solely upon the basis  
7 of activities protected by the first amendment to the  
8 Constitution”;

9 (2) by amending subsection (c)(2) to read as  
10 follows:

11 “(2) a certification by the applicant that the in-  
12 formation likely to be obtained is foreign intelligence  
13 information not concerning a United States person  
14 or is relevant to an ongoing investigation to protect  
15 against international terrorism or clandestine intel-  
16 ligence activities, provided that such investigation of  
17 a United States person is not conducted solely upon  
18 the basis of activities protected by the first amend-  
19 ment to the Constitution.”;

20 (3) by striking subsection (c)(3); and

21 (4) by amending subsection (d)(2)(A) to read  
22 as follows:

23 “(A) shall specify—

24 “(i) the identity, if known, of the per-  
25 son who is the subject of the investigation;

1           “(ii) the identity, if known, of the per-  
2           son to whom is leased or in whose name is  
3           listed the telephone line or other facility to  
4           which the pen register or trap and trace  
5           device is to be attached or applied;

6           “(iii) the attributes of the communica-  
7           tions to which the order applies, such as  
8           the number or other identifier, and, if  
9           known, the location of the telephone line or  
10          other facility to which the pen register or  
11          trap and trace device is to be attached or  
12          applied and, in the case of a trap and trace  
13          device, the geographic limits of the trap  
14          and trace order.”.

15          (b) AUTHORIZATION DURING EMERGENCIES.—Sec-  
16          tion 403 of the Foreign Intelligence Surveillance Act of  
17          1978 (50 U.S.C. 1843) is amended—

18                 (1) in subsection (a), by striking “foreign intel-  
19                 ligence information or information concerning inter-  
20                 national terrorism” and inserting “foreign intel-  
21                 ligence information not concerning a United States  
22                 person or information to protect against inter-  
23                 national terrorism or clandestine intelligence activi-  
24                 ties, provided that such investigation of a United  
25                 States person is not conducted solely upon the basis

1 of activities protected by the first amendment to the  
2 Constitution”; and

3 (2) in subsection (b)(1), by striking “foreign in-  
4 telligence information or information concerning  
5 international terrorism” and inserting “foreign intel-  
6 ligence information not concerning a United States  
7 person or information to protect against inter-  
8 national terrorism or clandestine intelligence activi-  
9 ties, provided that such investigation of a United  
10 States person is not conducted solely upon the basis  
11 of activities protected by the first amendment to the  
12 Constitution”.

13 **SEC. 215. ACCESS TO RECORDS AND OTHER ITEMS UNDER**  
14 **THE FOREIGN INTELLIGENCE SURVEIL-**  
15 **LANCE ACT.**

16 Title V of the Foreign Intelligence Surveillance Act  
17 of 1978 (50 U.S.C. 1861 et seq.) is amended by striking  
18 sections 501 through 503 and inserting the following:

19 **“SEC. 501. ACCESS TO CERTAIN BUSINESS RECORDS FOR**  
20 **FOREIGN INTELLIGENCE AND INTER-**  
21 **NATIONAL TERRORISM INVESTIGATIONS.**

22 “(a)(1) The Director of the Federal Bureau of Inves-  
23 tigation or a designee of the Director (whose rank shall  
24 be no lower than Assistant Special Agent in Charge) may  
25 make an application for an order requiring the production

1 of any tangible things (including books, records, papers,  
2 documents, and other items) for an investigation to pro-  
3 tect against international terrorism or clandestine intel-  
4 ligence activities, provided that such investigation of a  
5 United States person is not conducted solely upon the  
6 basis of activities protected by the first amendment to the  
7 Constitution.

8 “(2) An investigation conducted under this section  
9 shall—

10 “(A) be conducted under guidelines approved by  
11 the Attorney General under Executive Order 12333  
12 (or a successor order); and

13 “(B) not be conducted of a United States per-  
14 son solely upon the basis of activities protected by  
15 the first amendment to the Constitution of the  
16 United States.

17 “(b) Each application under this section—

18 “(1) shall be made to—

19 “(A) a judge of the court established by  
20 section 103(a); or

21 “(B) a United States Magistrate Judge  
22 under chapter 43 of title 28, United States  
23 Code, who is publicly designated by the Chief  
24 Justice of the United States to have the power  
25 to hear applications and grant orders for the

1 production of tangible things under this section  
2 on behalf of a judge of that court; and

3 “(2) shall specify that the records concerned  
4 are sought for an authorized investigation conducted  
5 in accordance with subsection (a)(2) to protect  
6 against international terrorism or clandestine intel-  
7 ligence activities.

8 “(c)(1) Upon an application made pursuant to this  
9 section, the judge shall enter an ex parte order as re-  
10 quested, or as modified, approving the release of records  
11 if the judge finds that the application meets the require-  
12 ments of this section.

13 “(2) An order under this subsection shall not disclose  
14 that it is issued for purposes of an investigation described  
15 in subsection (a).

16 “(d) No person shall disclose to any other person  
17 (other than those persons necessary to produce the tan-  
18 gible things under this section) that the Federal Bureau  
19 of Investigation has sought or obtained tangible things  
20 under this section.

21 “(e) A person who, in good faith, produces tangible  
22 things under an order pursuant to this section shall not  
23 be liable to any other person for such production. Such  
24 production shall not be deemed to constitute a waiver of  
25 any privilege in any other proceeding or context.

1 **“SEC. 502. CONGRESSIONAL OVERSIGHT.**

2 “(a) On a semiannual basis, the Attorney General  
3 shall fully inform the Permanent Select Committee on In-  
4 telligence of the House of Representatives and the Select  
5 Committee on Intelligence of the Senate concerning all re-  
6 quests for the production of tangible things under section  
7 402.

8 “(b) On a semiannual basis, the Attorney General  
9 shall provide to the Committees on the Judiciary of the  
10 House of Representatives and the Senate a report setting  
11 forth with respect to the preceding 6-month period—

12 “(1) the total number of applications made for  
13 orders approving requests for the production of tan-  
14 gible things under section 402; and

15 “(2) the total number of such orders either  
16 granted, modified, or denied.”.

17 **SEC. 216. MODIFICATION OF AUTHORITIES RELATING TO**  
18 **USE OF PEN REGISTERS AND TRAP AND**  
19 **TRACE DEVICES.**

20 (a) GENERAL LIMITATIONS.—Section 3121(c) of title  
21 18, United States Code, is amended—

22 (1) by inserting “or trap and trace device”  
23 after “pen register”;

24 (2) by inserting “, routing, addressing,” after  
25 “dialing”; and



1           (3) by striking “call processing” and inserting  
2           “the processing and transmitting of wire or elec-  
3           tronic communications so as not to include the con-  
4           tents of any wire or electronic communications”.

5           (b) ISSUANCE OF ORDERS.—

6           (1) IN GENERAL.—Section 3123(a) of title 18,  
7           United States Code, is amended to read as follows:

8           “(a) IN GENERAL.—

9           “(1) ATTORNEY FOR THE GOVERNMENT.—

10          Upon an application made under section 3122(a)(1),  
11          the court shall enter an ex parte order authorizing  
12          the installation and use of a pen register or trap and  
13          trace device anywhere within the United States, if  
14          the court finds that the attorney for the Government  
15          has certified to the court that the information likely  
16          to be obtained by such installation and use is rel-  
17          evant to an ongoing criminal investigation. The  
18          order, upon service of that order, shall apply to any  
19          person or entity providing wire or electronic commu-  
20          nication service in the United States whose assist-  
21          ance may facilitate the execution of the order.  
22          Whenever such an order is served on any person or  
23          entity not specifically named in the order, upon re-  
24          quest of such person or entity, the attorney for the  
25          Government or law enforcement or investigative offi-

1 cer that is serving the order shall provide written or  
2 electronic certification that the order applies to the  
3 person or entity being served.

4 “(2) STATE INVESTIGATIVE OR LAW ENFORCE-  
5 MENT OFFICER.—Upon an application made under  
6 section 3122(a)(2), the court shall enter an ex parte  
7 order authorizing the installation and use of a pen  
8 register or trap and trace device within the jurisdic-  
9 tion of the court, if the court finds that the State  
10 law enforcement or investigative officer has certified  
11 to the court that the information likely to be ob-  
12 tained by such installation and use is relevant to an  
13 ongoing criminal investigation.

14 “(3)(A) Where the law enforcement agency im-  
15 plementing an ex parte order under this subsection  
16 seeks to do so by installing and using its own pen  
17 register or trap and trace device on a packet-  
18 switched data network of a provider of electronic  
19 communication service to the public, the agency shall  
20 ensure that a record will be maintained which will  
21 identify—

22 “(i) any officer or officers who installed  
23 the device and any officer or officers who  
24 accessed the device to obtain information from  
25 the network;

1           “(ii) the date and time the device was in-  
2           stalled, the date and time the device was  
3           uninstalled, and the date, time, and duration of  
4           each time the device is accessed to obtain infor-  
5           mation;

6           “(iii) the configuration of the device at the  
7           time of its installation and any subsequent  
8           modification thereof; and

9           “(iv) any information which has been col-  
10          lected by the device.

11          To the extent that the pen register or trap and trace  
12          device can be set automatically to record this infor-  
13          mation electronically, the record shall be maintained  
14          electronically throughout the installation and use of  
15          such device.

16          “(B) The record maintained under subpara-  
17          graph (A) shall be provided ex parte and under seal  
18          to the court which entered the ex parte order au-  
19          thorizing the installation and use of the device with-  
20          in 30 days after termination of the order (including  
21          any extensions thereof).”.

22          (2) CONTENTS OF ORDER.—Section 3123(b)(1)  
23          of title 18, United States Code, is amended—

24                 (A) in subparagraph (A)—

1 (i) by inserting “or other facility”  
2 after “telephone line”; and

3 (ii) by inserting before the semicolon  
4 at the end “or applied”; and

5 (B) by striking subparagraph (C) and in-  
6 serting the following:

7 “(C) the attributes of the communications  
8 to which the order applies, including the num-  
9 ber or other identifier and, if known, the loca-  
10 tion of the telephone line or other facility to  
11 which the pen register or trap and trace device  
12 is to be attached or applied, and, in the case of  
13 an order authorizing installation and use of a  
14 trap and trace device under subsection (a)(2),  
15 the geographic limits of the order; and”.

16 (3) NONDISCLOSURE REQUIREMENTS.—Section  
17 3123(d)(2) of title 18, United States Code, is  
18 amended—

19 (A) by inserting “or other facility” after  
20 “the line”; and

21 (B) by striking “, or who has been ordered  
22 by the court” and inserting “or applied, or who  
23 is obligated by the order”.

24 (c) DEFINITIONS.—

1           (1) COURT OF COMPETENT JURISDICTION.—  
2           Section 3127(2) of title 18, United States Code, is  
3           amended by striking subparagraph (A) and inserting  
4           the following:

5                   “(A) any district court of the United  
6                   States (including a magistrate judge of such a  
7                   court) or any United States court of appeals  
8                   having jurisdiction over the offense being inves-  
9                   tigated; or”.

10          (2) PEN REGISTER.—Section 3127(3) of title  
11          18, United States Code, is amended—

12                   (A) by striking “electronic or other im-  
13                   pulses” and all that follows through “is at-  
14                   tached” and inserting “dialing, routing, ad-  
15                   dressing, or signaling information transmitted  
16                   by an instrument or facility from which a wire  
17                   or electronic communication is transmitted, pro-  
18                   vided, however, that such information shall not  
19                   include the contents of any communication”;  
20                   and

21                   (B) by inserting “or process” after “de-  
22                   vice” each place it appears.

23          (3) TRAP AND TRACE DEVICE.—Section  
24          3127(4) of title 18, United States Code, is  
25          amended—

1           (A) by striking “of an instrument” and all  
2           that follows through the semicolon and insert-  
3           ing “or other dialing, routing, addressing, and  
4           signaling information reasonably likely to iden-  
5           tify the source of a wire or electronic commu-  
6           nication, provided, however, that such informa-  
7           tion shall not include the contents of any com-  
8           munication;”; and

9           (B) by inserting “or process” after “a de-  
10          vice”.

11          (4) CONFORMING AMENDMENT.—Section  
12          3127(1) of title 18, United States Code, is  
13          amended—

14                 (A) by striking “and”; and

15                 (B) by inserting “, and ‘contents’” after  
16          “electronic communication service”.

17          (5) TECHNICAL AMENDMENT.—Section 3124(d)  
18          of title 18, United States Code, is amended by strik-  
19          ing “the terms of”.

20          (6) CONFORMING AMENDMENT.—Section  
21          3124(b) of title 18, United States Code, is amended  
22          by inserting “or other facility” after “the appro-  
23          priate line”.

1 **SEC. 217. INTERCEPTION OF COMPUTER TRESPASSER COM-**  
2 **MUNICATIONS.**

3 Chapter 119 of title 18, United States Code, is  
4 amended—

5 (1) in section 2510—

6 (A) in paragraph (18), by striking “and”  
7 at the end;

8 (B) in paragraph (19), by striking the pe-  
9 riod and inserting a semicolon; and

10 (C) by inserting after paragraph (19) the  
11 following:

12 “(20) ‘protected computer’ has the meaning set  
13 forth in section 1030; and

14 “(21) ‘computer trespasser’—

15 “(A) means a person who accesses a pro-  
16 tected computer without authorization and thus  
17 has no reasonable expectation of privacy in any  
18 communication transmitted to, through, or from  
19 the protected computer; and

20 “(B) does not include a person known by  
21 the owner or operator of the protected computer  
22 to have an existing contractual relationship with  
23 the owner or operator of the protected computer  
24 for access to all or part of the protected com-  
25 puter.”; and

1           (2) in section 2511(2), by inserting at the end  
2           the following:

3           “(i) It shall not be unlawful under this chapter for  
4           a person acting under color of law to intercept the wire  
5           or electronic communications of a computer trespasser  
6           transmitted to, through, or from the protected computer,  
7           if—

8           “(I) the owner or operator of the protected  
9           computer authorizes the interception of the com-  
10          puter trespasser’s communications on the protected  
11          computer;

12          “(II) the person acting under color of law is  
13          lawfully engaged in an investigation;

14          “(III) the person acting under color of law has  
15          reasonable grounds to believe that the contents of  
16          the computer trespasser’s communications will be  
17          relevant to the investigation; and

18          “(IV) such interception does not acquire com-  
19          munications other than those transmitted to or from  
20          the computer trespasser.”.

21 **SEC. 218. FOREIGN INTELLIGENCE INFORMATION.**

22          Sections 104(a)(7)(B) and section 303(a)(7)(B) (50  
23          U.S.C. 1804(a)(7)(B) and 1823(a)(7)(B)) of the Foreign  
24          Intelligence Surveillance Act of 1978 are each amended



1 by striking “the purpose” and inserting “a significant pur-  
2 pose”.

3 **SEC. 219. SINGLE-JURISDICTION SEARCH WARRANTS FOR**  
4 **TERRORISM.**

5 Rule 41(a) of the Federal Rules of Criminal Proce-  
6 dure is amended by inserting after “executed” the fol-  
7 lowing: “and (3) in an investigation of domestic terrorism  
8 or international terrorism (as defined in section 2331 of  
9 title 18, United States Code), by a Federal magistrate  
10 judge in any district in which activities related to the ter-  
11 rorism may have occurred, for a search of property or for  
12 a person within or outside the district”.

13 **SEC. 220. NATIONWIDE SERVICE OF SEARCH WARRANTS**  
14 **FOR ELECTRONIC EVIDENCE.**

15 (a) IN GENERAL.—Chapter 121 of title 18, United  
16 States Code, is amended—

17 (1) in section 2703, by striking “under the  
18 Federal Rules of Criminal Procedure” every place it  
19 appears and inserting “using the procedures de-  
20 scribed in the Federal Rules of Criminal Procedure  
21 by a court with jurisdiction over the offense under  
22 investigation”; and

23 (2) in section 2711—

24 (A) in paragraph (1), by striking “and”;

1 (B) in paragraph (2), by striking the pe-  
2 riod and inserting “; and”; and

3 (C) by inserting at the end the following:

4 “(3) the term ‘court of competent jurisdiction’  
5 has the meaning assigned by section 3127, and in-  
6 cludes any Federal court within that definition,  
7 without geographic limitation.”.

8 (b) CONFORMING AMENDMENT.—Section 2703(d) of  
9 title 18, United States Code, is amended by striking “de-  
10 scribed in section 3127(2)(A)”.

11 **SEC. 221. TRADE SANCTIONS.**

12 (a) IN GENERAL.—The Trade Sanctions Reform and  
13 Export Enhancement Act of 2000 (Public Law 106–387;  
14 114 Stat. 1549A–67) is amended—

15 (1) by amending section 904(2)(C) to read as  
16 follows:

17 “(C) used to facilitate the design, develop-  
18 ment, or production of chemical or biological  
19 weapons, missiles, or weapons of mass destruc-  
20 tion.”;

21 (2) in section 906(a)(1)—

22 (A) by inserting “, the Taliban or the ter-  
23 ritory of Afghanistan controlled by the  
24 Taliban,” after “Cuba”; and

1 (B) by inserting “, or in the territory of  
2 Afghanistan controlled by the Taliban,” after  
3 “within such country”; and

4 (3) in section 906(a)(2), by inserting “, or to  
5 any other entity in Syria or North Korea” after  
6 “Korea”.

7 (b) APPLICATION OF THE TRADE SANCTIONS RE-  
8 FORM AND EXPORT ENHANCEMENT ACT.—Nothing in the  
9 Trade Sanctions Reform and Export Enhancement Act of  
10 2000 shall limit the application or scope of any law estab-  
11 lishing criminal or civil penalties, including any executive  
12 order or regulation promulgated pursuant to such laws (or  
13 similar or successor laws), for the unlawful export of any  
14 agricultural commodity, medicine, or medical device to—

15 (1) a foreign organization, group, or person  
16 designated pursuant to Executive Order 12947 of  
17 January 23, 1995, as amended;

18 (2) a Foreign Terrorist Organization pursuant  
19 to the Antiterrorism and Effective Death Penalty  
20 Act of 1996 (Public Law 104–132);

21 (3) a foreign organization, group, or person  
22 designated pursuant to Executive Order 13224 (Sep-  
23 tember 23, 2001);

24 (4) any narcotics trafficking entity designated  
25 pursuant to Executive Order 12978 (October 21,

1 1995) or the Foreign Narcotics Kingpin Designation  
2 Act (Public Law 106–120); or

3 (5) any foreign organization, group, or persons  
4 subject to any restriction for its involvement in  
5 weapons of mass destruction or missile proliferation.

6 **SEC. 222. ASSISTANCE TO LAW ENFORCEMENT AGENCIES.**

7 Nothing in this Act shall impose any additional tech-  
8 nical obligation or requirement on a provider of a wire or  
9 electronic communication service or other person to fur-  
10 nish facilities or technical assistance. A provider of a wire  
11 or electronic communication service, landlord, custodian,  
12 or other person who furnishes facilities or technical assist-  
13 ance pursuant to section 216 shall be reasonably com-  
14 pensated for such reasonable expenditures incurred in pro-  
15 viding such facilities or assistance.

16 **SEC. 223. CIVIL LIABILITY FOR CERTAIN UNAUTHORIZED**  
17 **DISCLOSURES.**

18 (a) Section 2520 of title 18, United States Code, is  
19 amended—

20 (1) in subsection (a), after “entity”, by insert-  
21 ing “, other than the United States,”;

22 (2) by adding at the end the following:

23 “(f) ADMINISTRATIVE DISCIPLINE.—If a court or ap-  
24 propriate department or agency determines that the  
25 United States or any of its departments or agencies has

1 violated any provision of this chapter, and the court or  
2 appropriate department or agency finds that the cir-  
3 cumstances surrounding the violation raise serious ques-  
4 tions about whether or not an officer or employee of the  
5 United States acted willfully or intentionally with respect  
6 to the violation, the department or agency shall, upon re-  
7 ceipt of a true and correct copy of the decision and find-  
8 ings of the court or appropriate department or agency  
9 promptly initiate a proceeding to determine whether dis-  
10 ciplinary action against the officer or employee is war-  
11 ranted. If the head of the department or agency involved  
12 determines that disciplinary action is not warranted, he  
13 or she shall notify the Inspector General with jurisdiction  
14 over the department or agency concerned and shall provide  
15 the Inspector General with the reasons for such deter-  
16 mination.”; and

17 (3) by adding a new subsection (g), as follows:

18 “(g) IMPROPER DISCLOSURE IS VIOLATION.—Any  
19 willful disclosure or use by an investigative or law enforce-  
20 ment officer or governmental entity of information beyond  
21 the extent permitted by section 2517 is a violation of this  
22 chapter for purposes of section 2520(a).

23 (b) Section 2707 of title 18, United States Code, is  
24 amended—

1           (1) in subsection (a), after “entity”, by insert-  
2           ing “, other than the United States,”;

3           (2) by striking subsection (d) and inserting the  
4           following:

5           “(d) ADMINISTRATIVE DISCIPLINE.—If a court or  
6           appropriate department or agency determines that the  
7           United States or any of its departments or agencies has  
8           violated any provision of this chapter, and the court or  
9           appropriate department or agency finds that the cir-  
10          cumstances surrounding the violation raise serious ques-  
11          tions about whether or not an officer or employee of the  
12          United States acted willfully or intentionally with respect  
13          to the violation, the department or agency shall, upon re-  
14          ceipt of a true and correct copy of the decision and find-  
15          ings of the court or appropriate department or agency  
16          promptly initiate a proceeding to determine whether dis-  
17          ciplinary action against the officer or employee is war-  
18          ranted. If the head of the department or agency involved  
19          determines that disciplinary action is not warranted, he  
20          or she shall notify the Inspector General with jurisdiction  
21          over the department or agency concerned and shall provide  
22          the Inspector General with the reasons for such deter-  
23          mination.”; and

24          (3) by adding a new subsection (g), as follows:

1           “(g) IMPROPER DISCLOSURE.—Any willful disclosure  
2 of a ‘record’, as that term is defined in section 552a(a)  
3 of title 5, United States Code, obtained by an investigative  
4 or law enforcement officer, or a governmental entity, pur-  
5 suant to section 2703 of this title, or from a device in-  
6 stalled pursuant to section 3123 or 3125 of this title, that  
7 is not a disclosure made in the proper performance of the  
8 official functions of the officer or governmental entity  
9 making the disclosure, is a violation of this chapter. This  
10 provision shall not apply to information previously lawfully  
11 disclosed (prior to the commencement of any civil or ad-  
12 ministrative proceeding under this chapter) to the public  
13 by a Federal, State, or local governmental entity or by  
14 the plaintiff in a civil action under this chapter.”.

15           (c)(1) Chapter 121 of title 18, United States Code,  
16 is amended by adding at the end the following:

17           **“§ 2712. Civil actions against the United States**

18           “(a) IN GENERAL.—Any person who is aggrieved by  
19 any willful violation of this chapter or of chapter 119 of  
20 this title or of sections 106(a), 305(a), or 405(a) of the  
21 Foreign Intelligence Surveillance Act of 1978 (50 U.S.C.  
22 1801 et seq.) may commence an action in United States  
23 District Court against the United States to recover money  
24 damages. In any such action, if a person who is aggrieved  
25 successfully establishes such a violation of this chapter or

1 of chapter 119 of this title or of the above specific provi-  
2 sions of title 50, the Court may assess as damages—

3 “(1) actual damages, but not less than  
4 \$10,000, whichever amount is greater; and

5 “(2) litigation costs, reasonably incurred.

6 “(b) PROCEDURES.—(1) Any action against the  
7 United States under this section may be commenced only  
8 after a claim is presented to the appropriate department  
9 or agency under the procedures of the Federal Tort  
10 Claims Act, as set forth in title 28, United States Code.

11 “(2) Any action against the United States  
12 under this section shall be forever barred unless it  
13 is presented in writing to the appropriate Federal  
14 agency within 2 years after such claim accrues or  
15 unless action is begun within 6 months after the  
16 date of mailing, by certified or registered mail, of  
17 notice of final denial of the claim by the agency to  
18 which it was presented. The claim shall accrue on  
19 the date upon which the claimant first has a reason-  
20 able opportunity to discover the violation.”.

21 “(3) Any action under this section shall be tried to  
22 the court without a jury.

23 “(4) Notwithstanding any other provision of law, the  
24 procedures set forth in section 106(f), 305(g), or 405(f)  
25 of the Foreign Intelligence Surveillance Act of 1978 (50



1 U.S.C. 1801 et seq.) shall be the exclusive means by which  
2 materials governed by those sections may be reviewed.

3 “(5) An amount equal to any award against the  
4 United States under this section shall be reimbursed by  
5 the department or agency concerned to the fund described  
6 in section 1304 of title 31, United States Code, out of  
7 any appropriation, fund, or other account (excluding any  
8 part of such appropriation, fund, or account that is avail-  
9 able for the enforcement of any Federal law) that is avail-  
10 able for the operating expenses of the department or agen-  
11 cy concerned.

12 “(c) ADMINISTRATIVE DISCIPLINE.—If a court or ap-  
13 propriate department or agency determines that the  
14 United States or any of its departments or agencies has  
15 violated any provision of this chapter, and the court or  
16 appropriate department or agency finds that the cir-  
17 cumstances surrounding the violation raise serious ques-  
18 tions about whether or not an officer or employee of the  
19 United States acted willfully or intentionally with respect  
20 to the possible violation, the department or agency shall,  
21 upon receipt of a true and correct copy of the decision  
22 and findings of the court or appropriate department or  
23 agency promptly initiate a proceeding to determine wheth-  
24 er disciplinary action against the officer or employee is  
25 warranted. If the head of the department or agency in-

1 volved determines that disciplinary action is not war-  
2 ranted, he or she shall notify the Inspector General with  
3 jurisdiction over the department or agency concerned and  
4 shall provide the Inspector General with the reasons for  
5 such determination.

6 “(d) EXCLUSIVE REMEDY.—Any action against the  
7 United States under this subsection shall be the exclusive  
8 remedy against the United States for any claims within  
9 the purview of this section.

10 “(e) STAY OF PROCEEDINGS.—(1) Upon the motion  
11 of the United States, the court shall stay any action com-  
12 menced under this section if the court determines that civil  
13 discovery will adversely affect the ability of the Govern-  
14 ment to conduct a related investigation or the prosecution  
15 of a related criminal case. Such a stay shall toll the limita-  
16 tions periods of paragraph (2) of subsection (b).

17 “(2) In this subsection, the terms ‘related criminal  
18 case’ and ‘related investigation’ mean an actual prosecu-  
19 tion or investigation in progress at the time at which the  
20 request for the stay or any subsequent motion to lift the  
21 stay is made. In determining whether an investigation or  
22 a criminal case is related to an action commenced under  
23 this section, the court shall consider the degree of simi-  
24 larity between the parties, witnesses, facts, and cir-

1 cumstances involved in the 2 proceedings, without requir-  
2 ing that any one or more factors be identical.

3 “(3) In requesting a stay under paragraph (1), the  
4 Government may, in appropriate cases, submit evidence ex  
5 parte in order to avoid disclosing any matter that may  
6 adversely affect a related investigation or a related crimi-  
7 nal case. If the Government makes such an ex parte sub-  
8 mission, the plaintiff shall be given an opportunity to  
9 make a submission to the court, not ex parte, and the  
10 court may, in its discretion, request further information  
11 from either party.”.

12 (2) The table of sections at the beginning of chapter  
13 121 is amended to read as follows:

“2712. Civil action against the United States.”.

14 **SEC. 224. SUNSET.**

15 (a) IN GENERAL.—Except as provided in subsection  
16 (b), this title and the amendments made by this title  
17 (other than sections 203(a), 203(c), 205, 208, 210, 211,  
18 213, 216, 219, 221, and 222, and the amendments made  
19 by those sections) shall cease to have effect on December  
20 31, 2005.

21 (b) EXCEPTION.—With respect to any particular for-  
22 eign intelligence investigation that began before the date  
23 on which the provisions referred to in subsection (a) cease  
24 to have effect, or with respect to any particular offense  
25 or potential offense that began or occurred before the date

1 on which such provisions cease to have effect, such provi-  
2 sions shall continue in effect.

3 **SEC. 225. IMMUNITY FOR COMPLIANCE WITH FISA WIRE-**  
4 **TAP.**

5 Section 105 of the Foreign Intelligence Surveillance  
6 Act of 1978 (50 U.S.C. 1805) is amended by inserting  
7 after subsection (g) the following:

8 “(h) No cause of action shall lie in any court against  
9 any provider of a wire or electronic communication service,  
10 landlord, custodian, or other person (including any officer,  
11 employee, agent, or other specified person thereof) that  
12 furnishes any information, facilities, or technical assist-  
13 ance in accordance with a court order or request for emer-  
14 gency assistance under this Act.”.

15 **TITLE III—INTERNATIONAL**  
16 **MONEY LAUNDERING ABATE-**  
17 **MENT AND ANTI-TERRORIST**  
18 **FINANCING ACT OF 2001**

19 **SEC. 301. SHORT TITLE.**

20 This title may be cited as the “International Money  
21 Laundering Abatement and Financial Anti-Terrorism Act  
22 of 2001”.

23 **SEC. 302. FINDINGS AND PURPOSES.**

24 (a) **FINDINGS.**—The Congress finds that—

1           (1) money laundering, estimated by the Inter-  
2           national Monetary Fund to amount to between 2  
3           and 5 percent of global gross domestic product,  
4           which is at least \$600,000,000,000 annually, pro-  
5           vides the financial fuel that permits transnational  
6           criminal enterprises to conduct and expand their op-  
7           erations to the detriment of the safety and security  
8           of American citizens;

9           (2) money laundering, and the defects in finan-  
10          cial transparency on which money launderers rely,  
11          are critical to the financing of global terrorism and  
12          the provision of funds for terrorist attacks;

13          (3) money launderers subvert legitimate finan-  
14          cial mechanisms and banking relationships by using  
15          them as protective covering for the movement of  
16          criminal proceeds and the financing of crime and  
17          terrorism, and, by so doing, can threaten the safety  
18          of United States citizens and undermine the integ-  
19          rity of United States financial institutions and of the  
20          global financial and trading systems upon which  
21          prosperity and growth depend;

22          (4) certain jurisdictions outside of the United  
23          States that offer “offshore” banking and related fa-  
24          cilities designed to provide anonymity, coupled with  
25          weak financial supervisory and enforcement regimes,

1 provide essential tools to disguise ownership and  
2 movement of criminal funds, derived from, or used  
3 to commit, offenses ranging from narcotics traf-  
4 ficking, terrorism, arms smuggling, and trafficking  
5 in human beings, to financial frauds that prey on  
6 law-abiding citizens;

7 (5) transactions involving such offshore jurisdic-  
8 tions make it difficult for law enforcement offi-  
9 cials and regulators to follow the trail of money  
10 earned by criminals, organized international criminal  
11 enterprises, and global terrorist organizations;

12 (6) correspondent banking facilities are one of  
13 the banking mechanisms susceptible in some cir-  
14 cumstances to manipulation by foreign banks to per-  
15 mit the laundering of funds by hiding the identity of  
16 real parties in interest to financial transactions;

17 (7) private banking services can be susceptible  
18 to manipulation by money launderers, for example  
19 corrupt foreign government officials, particularly if  
20 those services include the creation of offshore ac-  
21 counts and facilities for large personal funds trans-  
22 fers to channel funds into accounts around the  
23 globe;

24 (8) United States anti-money laundering efforts  
25 are impeded by outmoded and inadequate statutory

1 provisions that make investigations, prosecutions,  
2 and forfeitures more difficult, particularly in cases  
3 in which money laundering involves foreign persons,  
4 foreign banks, or foreign countries;

5 (9) the ability to mount effective counter-meas-  
6 ures to international money launderers requires na-  
7 tional, as well as bilateral and multilateral action,  
8 using tools specially designed for that effort; and

9 (10) the Basle Committee on Banking Regula-  
10 tion and Supervisory Practices and the Financial  
11 Action Task Force on Money Laundering, of both of  
12 which the United States is a member, have each  
13 adopted international anti-money laundering prin-  
14 ciples and recommendations.

15 (b) PURPOSES.—The purposes of this title are—

16 (1) to increase the strength of United States  
17 measures to prevent, detect, and prosecute inter-  
18 national money laundering and the financing of ter-  
19 rorism;

20 (2) to ensure that—

21 (A) banking transactions and financial re-  
22 lationships and the conduct of such transactions  
23 and relationships, do not contravene the pur-  
24 poses of subchapter II of chapter 53 of title 31,  
25 United States Code, section 21 of the Federal

1           Deposit Insurance Act, or chapter 2 of title I  
2           of Public Law 91–508 (84 Stat. 1116), or fa-  
3           cilitate the evasion of any such provision; and

4                   (B) the purposes of such provisions of law  
5           continue to be fulfilled, and such provisions of  
6           law are effectively and efficiently administered;

7           (3) to strengthen the provisions put into place  
8           by the Money Laundering Control Act of 1986 (18  
9           U.S.C. 981 note), especially with respect to crimes  
10          by non-United States nationals and foreign financial  
11          institutions;

12           (4) to provide a clear national mandate for sub-  
13          jecting to special scrutiny those foreign jurisdictions,  
14          financial institutions operating outside of the United  
15          States, and classes of international transactions or  
16          types of accounts that pose particular, identifiable  
17          opportunities for criminal abuse;

18           (5) to provide the Secretary of the Treasury (in  
19          this title referred to as the “Secretary”) with broad  
20          discretion, subject to the safeguards provided by the  
21          Administrative Procedure Act under title 5, United  
22          States Code, to take measures tailored to the par-  
23          ticular money laundering problems presented by spe-  
24          cific foreign jurisdictions, financial institutions oper-



1       ating outside of the United States, and classes of  
2       international transactions or types of accounts;

3               (6) to ensure that the employment of such  
4       measures by the Secretary permits appropriate op-  
5       portunity for comment by affected financial institu-  
6       tions;

7               (7) to provide guidance to domestic financial in-  
8       stitutions on particular foreign jurisdictions, finan-  
9       cial institutions operating outside of the United  
10      States, and classes of international transactions that  
11      are of primary money laundering concern to the  
12      United States Government;

13              (8) to ensure that the forfeiture of any assets  
14      in connection with the anti-terrorist efforts of the  
15      United States permits for adequate challenge con-  
16      sistent with providing due process rights;

17              (9) to clarify the terms of the safe harbor from  
18      civil liability for filing suspicious activity reports;

19              (10) to strengthen the authority of the Sec-  
20      retary to issue and administer geographic targeting  
21      orders, and to clarify that violations of such orders  
22      or any other requirement imposed under the author-  
23      ity contained in chapter 2 of title I of Public Law  
24      91-508 and subchapters II and III of chapter 53 of

1 title 31, United States Code, may result in criminal  
2 and civil penalties;

3 (11) to ensure that all appropriate elements of  
4 the financial services industry are subject to appro-  
5 priate requirements to report potential money laun-  
6 dering transactions to proper authorities, and that  
7 jurisdictional disputes do not hinder examination of  
8 compliance by financial institutions with relevant re-  
9 porting requirements;

10 (12) to strengthen the ability of financial insti-  
11 tutions to maintain the integrity of their employee  
12 population; and

13 (13) to strengthen measures to prevent the use  
14 of the United States financial system for personal  
15 gain by corrupt foreign officials and to facilitate the  
16 repatriation of any stolen assets to the citizens of  
17 countries to whom such assets belong.

18 **SEC. 303. 4-YEAR CONGRESSIONAL REVIEW; EXPEDITED**

19 **CONSIDERATION.**

20 (a) **IN GENERAL.**—Effective on and after the first  
21 day of fiscal year 2005, the provisions of this title and  
22 the amendments made by this title shall terminate if the  
23 Congress enacts a joint resolution, the text after the re-  
24 solving clause of which is as follows: “That provisions of  
25 the International Money Laundering Abatement and Anti-

1 Terrorist Financing Act of 2001, and the amendments  
2 made thereby, shall no longer have the force of law.”.

3 (b) EXPEDITED CONSIDERATION.—Any joint resolu-  
4 tion submitted pursuant to this section should be consid-  
5 ered by the Congress expeditiously. In particular, it shall  
6 be considered in the Senate in accordance with the provi-  
7 sions of section 601(b) of the International Security As-  
8 sistance and Arms Control Act of 1976.

9 **Subtitle A—International Counter**  
10 **Money Laundering and Related**  
11 **Measures**

12 **SEC. 311. SPECIAL MEASURES FOR JURISDICTIONS, FINAN-**  
13 **CIAL INSTITUTIONS, OR INTERNATIONAL**  
14 **TRANSACTIONS OF PRIMARY MONEY LAUN-**  
15 **DERING CONCERN.**

16 (a) IN GENERAL.—Subchapter II of chapter 53 of  
17 title 31, United States Code, is amended by inserting after  
18 section 5318 the following new section:

19 **“§ 5318A. Special measures for jurisdictions, financial**  
20 **institutions, or international transactions**  
21 **of primary money laundering concern**

22 “(a) INTERNATIONAL COUNTER-MONEY LAUN-  
23 DERING REQUIREMENTS.—

24 “(1) IN GENERAL.—The Secretary of the  
25 Treasury may require domestic financial institutions

1 and domestic financial agencies to take 1 or more of  
2 the special measures described in subsection (b) if  
3 the Secretary finds that reasonable grounds exist for  
4 concluding that a jurisdiction outside of the United  
5 States, 1 or more financial institutions operating  
6 outside of the United States, 1 or more classes of  
7 transactions within, or involving, a jurisdiction out-  
8 side of the United States, or 1 or more types of ac-  
9 counts is of primary money laundering concern, in  
10 accordance with subsection (c).

11 “(2) FORM OF REQUIREMENT.—The special  
12 measures described in—

13 “(A) subsection (b) may be imposed in  
14 such sequence or combination as the Secretary  
15 shall determine;

16 “(B) paragraphs (1) through (4) of sub-  
17 section (b) may be imposed by regulation,  
18 order, or otherwise as permitted by law; and

19 “(C) subsection (b)(5) may be imposed  
20 only by regulation.

21 “(3) DURATION OF ORDERS; RULEMAKING.—  
22 Any order by which a special measure described in  
23 paragraphs (1) through (4) of subsection (b) is im-  
24 posed (other than an order described in section  
25 5326)—

1           “(A) shall be issued together with a notice  
2           of proposed rulemaking relating to the imposi-  
3           tion of such special measure; and

4           “(B) may not remain in effect for more  
5           than 120 days, except pursuant to a rule pro-  
6           mulgated on or before the end of the 120-day  
7           period beginning on the date of issuance of  
8           such order.

9           “(4) PROCESS FOR SELECTING SPECIAL MEAS-  
10          URES.—In selecting which special measure or meas-  
11          ures to take under this subsection, the Secretary of  
12          the Treasury—

13                 “(A) shall consult with the Chairman of  
14                 the Board of Governors of the Federal Reserve  
15                 System, any other appropriate Federal banking  
16                 agency, as defined in section 3 of the Federal  
17                 Deposit Insurance Act, the Secretary of State,  
18                 the Securities and Exchange Commission, the  
19                 Commodity Futures Trading Commission, the  
20                 National Credit Union Administration Board,  
21                 and in the sole discretion of the Secretary, such  
22                 other agencies and interested parties as the  
23                 Secretary may find to be appropriate; and

24                 “(B) shall consider—

1           “(i) whether similar action has been  
2           or is being taken by other nations or multi-  
3           lateral groups;

4           “(ii) whether the imposition of any  
5           particular special measure would create a  
6           significant competitive disadvantage, in-  
7           cluding any undue cost or burden associ-  
8           ated with compliance, for financial institu-  
9           tions organized or licensed in the United  
10          States;

11          “(iii) the extent to which the action or  
12          the timing of the action would have a sig-  
13          nificant adverse systemic impact on the  
14          international payment, clearance, and set-  
15          tlement system, or on legitimate business  
16          activities involving the particular jurisdic-  
17          tion, institution, or class of transactions;  
18          and

19          “(iv) the effect of the action on  
20          United States national security and foreign  
21          policy.

22          “(5) NO LIMITATION ON OTHER AUTHORITY.—  
23          This section shall not be construed as superseding or  
24          otherwise restricting any other authority granted to

1 the Secretary, or to any other agency, by this sub-  
2 chapter or otherwise.

3 “(b) SPECIAL MEASURES.—The special measures re-  
4 ferred to in subsection (a), with respect to a jurisdiction  
5 outside of the United States, financial institution oper-  
6 ating outside of the United States, class of transaction  
7 within, or involving, a jurisdiction outside of the United  
8 States, or 1 or more types of accounts are as follows:

9 “(1) RECORDKEEPING AND REPORTING OF  
10 CERTAIN FINANCIAL TRANSACTIONS.—

11 “(A) IN GENERAL.—The Secretary of the  
12 Treasury may require any domestic financial in-  
13 stitution or domestic financial agency to main-  
14 tain records, file reports, or both, concerning  
15 the aggregate amount of transactions, or con-  
16 cerning each transaction, with respect to a ju-  
17 risdiction outside of the United States, 1 or  
18 more financial institutions operating outside of  
19 the United States, 1 or more classes of trans-  
20 actions within, or involving, a jurisdiction out-  
21 side of the United States, or 1 or more types  
22 of accounts if the Secretary finds any such ju-  
23 risdiction, institution, or class of transactions to  
24 be of primary money laundering concern.

1           “(B) FORM OF RECORDS AND REPORTS.—

2           Such records and reports shall be made and re-  
3           tained at such time, in such manner, and for  
4           such period of time, as the Secretary shall de-  
5           termine, and shall include such information as  
6           the Secretary may determine, including—

7                   “(i) the identity and address of the  
8                   participants in a transaction or relation-  
9                   ship, including the identity of the origi-  
10                  nator of any funds transfer;

11                   “(ii) the legal capacity in which a par-  
12                  ticipant in any transaction is acting;

13                   “(iii) the identity of the beneficial  
14                  owner of the funds involved in any trans-  
15                  action, in accordance with such procedures  
16                  as the Secretary determines to be reason-  
17                  able and practicable to obtain and retain  
18                  the information; and

19                   “(iv) a description of any transaction.

20           “(2) INFORMATION RELATING TO BENEFICIAL  
21           OWNERSHIP.—In addition to any other requirement  
22           under any other provision of law, the Secretary may  
23           require any domestic financial institution or domes-  
24           tic financial agency to take such steps as the Sec-  
25           retary may determine to be reasonable and prac-



1        ticable to obtain and retain information concerning  
2        the beneficial ownership of any account opened or  
3        maintained in the United States by a foreign person  
4        (other than a foreign entity whose shares are subject  
5        to public reporting requirements or are listed and  
6        traded on a regulated exchange or trading market),  
7        or a representative of such a foreign person, that in-  
8        volves a jurisdiction outside of the United States, 1  
9        or more financial institutions operating outside of  
10       the United States, 1 or more classes of transactions  
11       within, or involving, a jurisdiction outside of the  
12       United States, or 1 or more types of accounts if the  
13       Secretary finds any such jurisdiction, institution, or  
14       transaction or type of account to be of primary  
15       money laundering concern.

16            “(3) INFORMATION RELATING TO CERTAIN PAY-  
17        ABLE-THROUGH ACCOUNTS.—If the Secretary finds  
18        a jurisdiction outside of the United States, 1 or  
19        more financial institutions operating outside of the  
20        United States, or 1 or more classes of transactions  
21        within, or involving, a jurisdiction outside of the  
22        United States to be of primary money laundering  
23        concern, the Secretary may require any domestic fi-  
24        nancial institution or domestic financial agency that  
25        opens or maintains a payable-through account in the

1 United States for a foreign financial institution in-  
2 volving any such jurisdiction or any such financial  
3 institution operating outside of the United States, or  
4 a payable through account through which any such  
5 transaction may be conducted, as a condition of  
6 opening or maintaining such account—

7 “(A) to identify each customer (and rep-  
8 resentative of such customer) of such financial  
9 institution who is permitted to use, or whose  
10 transactions are routed through, such payable-  
11 through account; and

12 “(B) to obtain, with respect to each such  
13 customer (and each such representative), infor-  
14 mation that is substantially comparable to that  
15 which the depository institution obtains in the  
16 ordinary course of business with respect to its  
17 customers residing in the United States.

18 “(4) INFORMATION RELATING TO CERTAIN COR-  
19 RESPONDENT ACCOUNTS.—If the Secretary finds a  
20 jurisdiction outside of the United States, 1 or more  
21 financial institutions operating outside of the United  
22 States, or 1 or more classes of transactions within,  
23 or involving, a jurisdiction outside of the United  
24 States to be of primary money laundering concern,  
25 the Secretary may require any domestic financial in-

1       stitution or domestic financial agency that opens or  
2       maintains a correspondent account in the United  
3       States for a foreign financial institution involving  
4       any such jurisdiction or any such financial institu-  
5       tion operating outside of the United States, or a cor-  
6       respondent account through which any such trans-  
7       action may be conducted, as a condition of opening  
8       or maintaining such account—

9               “(A) to identify each customer (and rep-  
10              representative of such customer) of any such finan-  
11              cial institution who is permitted to use, or  
12              whose transactions are routed through, such  
13              correspondent account; and

14             “(B) to obtain, with respect to each such  
15              customer (and each such representative), infor-  
16              mation that is substantially comparable to that  
17              which the depository institution obtains in the  
18              ordinary course of business with respect to its  
19              customers residing in the United States.

20             “(5) PROHIBITIONS OR CONDITIONS ON OPEN-  
21              ING OR MAINTAINING CERTAIN CORRESPONDENT OR  
22              PAYABLE-THROUGH ACCOUNTS.—If the Secretary  
23              finds a jurisdiction outside of the United States, 1  
24              or more financial institutions operating outside of  
25              the United States, or 1 or more classes of trans-

1 actions within, or involving, a jurisdiction outside of  
2 the United States to be of primary money laun-  
3 dering concern, the Secretary, in consultation with  
4 the Secretary of State, the Attorney General, and  
5 the Chairman of the Board of Governors of the Fed-  
6 eral Reserve System, may prohibit, or impose condi-  
7 tions upon, the opening or maintaining in the United  
8 States of a correspondent account or payable-  
9 through account by any domestic financial institu-  
10 tion or domestic financial agency for or on behalf of  
11 a foreign banking institution, if such correspondent  
12 account or payable-through account involves any  
13 such jurisdiction or institution, or if any such trans-  
14 action may be conducted through such cor-  
15 respondent account or payable-through account.

16 “(c) CONSULTATIONS AND INFORMATION TO BE  
17 CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS,  
18 TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRI-  
19 MARY MONEY LAUNDERING CONCERN.—

20 “(1) IN GENERAL.—In making a finding that  
21 reasonable grounds exist for concluding that a juris-  
22 diction outside of the United States, 1 or more fi-  
23 nancial institutions operating outside of the United  
24 States, 1 or more classes of transactions within, or  
25 involving, a jurisdiction outside of the United States,

1 or 1 or more types of accounts is of primary money  
2 laundering concern so as to authorize the Secretary  
3 of the Treasury to take 1 or more of the special  
4 measures described in subsection (b), the Secretary  
5 shall consult with the Secretary of State and the At-  
6 torney General.

7 “(2) ADDITIONAL CONSIDERATIONS.—In mak-  
8 ing a finding described in paragraph (1), the Sec-  
9 retary shall consider in addition such information as  
10 the Secretary determines to be relevant, including  
11 the following potentially relevant factors:

12 “(A) JURISDICTIONAL FACTORS.—In the  
13 case of a particular jurisdiction—

14 “(i) evidence that organized criminal  
15 groups, international terrorists, or both,  
16 have transacted business in that jurisdic-  
17 tion;

18 “(ii) the extent to which that jurisdic-  
19 tion or financial institutions operating in  
20 that jurisdiction offer bank secrecy or spe-  
21 cial regulatory advantages to nonresidents  
22 or nondomiciliaries of that jurisdiction;

23 “(iii) the substance and quality of ad-  
24 ministration of the bank supervisory and

1 counter-money laundering laws of that ju-  
2 risdiction;

3 “(iv) the relationship between the vol-  
4 ume of financial transactions occurring in  
5 that jurisdiction and the size of the econ-  
6 omy of the jurisdiction;

7 “(v) the extent to which that jurisdic-  
8 tion is characterized as an offshore bank-  
9 ing or secrecy haven by credible inter-  
10 national organizations or multilateral ex-  
11 pert groups;

12 “(vi) whether the United States has a  
13 mutual legal assistance treaty with that ju-  
14 risdiction, and the experience of United  
15 States law enforcement officials and regu-  
16 latory officials in obtaining information  
17 about transactions originating in or routed  
18 through or to such jurisdiction; and

19 “(vii) the extent to which that jurisdic-  
20 tion is characterized by high levels of of-  
21 ficial or institutional corruption.

22 “(B) INSTITUTIONAL FACTORS.—In the  
23 case of a decision to apply 1 or more of the spe-  
24 cial measures described in subsection (b) only  
25 to a financial institution or institutions, or to a

1 transaction or class of transactions, or to a type  
2 of account, or to all 3, within or involving a  
3 particular jurisdiction—

4 “(i) the extent to which such financial  
5 institutions, transactions, or types of ac-  
6 counts are used to facilitate or promote  
7 money laundering in or through the juris-  
8 diction;

9 “(ii) the extent to which such institu-  
10 tions, transactions, or types of accounts  
11 are used for legitimate business purposes  
12 in the jurisdiction; and

13 “(iii) the extent to which such action  
14 is sufficient to ensure, with respect to  
15 transactions involving the jurisdiction and  
16 institutions operating in the jurisdiction,  
17 that the purposes of this subchapter con-  
18 tinue to be fulfilled, and to guard against  
19 international money laundering and other  
20 financial crimes.

21 “(d) NOTIFICATION OF SPECIAL MEASURES IN-  
22 VOKED BY THE SECRETARY.—Not later than 10 days  
23 after the date of any action taken by the Secretary of the  
24 Treasury under subsection (a)(1), the Secretary shall no-  
25 tify, in writing, the Committee on Financial Services of

1 the House of Representatives and the Committee on  
2 Banking, Housing, and Urban Affairs of the Senate of any  
3 such action.

4 “(e) DEFINITIONS.—Notwithstanding any other pro-  
5 vision of this subchapter, for purposes of this section and  
6 subsections (i) and (j) of section 5318, the following defi-  
7 nitions shall apply:

8 “(1) BANK DEFINITIONS.—The following defini-  
9 tions shall apply with respect to a bank:

10 “(A) ACCOUNT.—The term ‘account’—

11 “(i) means a formal banking or busi-  
12 ness relationship established to provide  
13 regular services, dealings, and other finan-  
14 cial transactions; and

15 “(ii) includes a demand deposit, sav-  
16 ings deposit, or other transaction or asset  
17 account and a credit account or other ex-  
18 tension of credit.

19 “(B) CORRESPONDENT ACCOUNT.—The  
20 term ‘correspondent account’ means an account  
21 established to receive deposits from, make pay-  
22 ments on behalf of a foreign financial institu-  
23 tion, or handle other financial transactions re-  
24 lated to such institution.



1           “(C) PAYABLE-THROUGH ACCOUNT.—The  
2           term ‘payable-through account’ means an ac-  
3           count, including a transaction account (as de-  
4           fined in section 19(b)(1)(C) of the Federal Re-  
5           serve Act), opened at a depository institution by  
6           a foreign financial institution by means of  
7           which the foreign financial institution permits  
8           its customers to engage, either directly or  
9           through a subaccount, in banking activities  
10          usual in connection with the business of bank-  
11          ing in the United States.

12          “(2) DEFINITIONS APPLICABLE TO INSTITU-  
13          TIONS OTHER THAN BANKS.—With respect to any fi-  
14          nancial institution other than a bank, the Secretary  
15          shall, after consultation with the appropriate Fed-  
16          eral functional regulators (as defined in section 509  
17          of the Gramm-Leach-Bliley Act), define by regula-  
18          tion the term ‘account’, and shall include within the  
19          meaning of that term, to the extent, if any, that the  
20          Secretary deems appropriate, arrangements similar  
21          to payable-through and correspondent accounts.

22          “(3) REGULATORY DEFINITION OF BENEFICIAL  
23          OWNERSHIP.—The Secretary shall promulgate regu-  
24          lations defining beneficial ownership of an account  
25          for purposes of this section and subsections (i) and

1 (j) of section 5318. Such regulations shall address  
2 issues related to an individual’s authority to fund,  
3 direct, or manage the account (including, without  
4 limitation, the power to direct payments into or out  
5 of the account), and an individual’s material interest  
6 in the income or corpus of the account, and shall en-  
7 sure that the identification of individuals under this  
8 section does not extend to any individual whose ben-  
9 efiticial interest in the income or corpus of the ac-  
10 count is immaterial.”.

11 “(4) OTHER TERMS.—The Secretary may, by  
12 regulation, further define the terms in paragraphs  
13 (1), (2), and (3), and define other terms for the pur-  
14 poses of this section, as the Secretary deems appro-  
15 priate.”.

16 (b) CLERICAL AMENDMENT.—The table of sections  
17 for subchapter II of chapter 53 of title 31, United States  
18 Code, is amended by inserting after the item relating to  
19 section 5318 the following new item:

“5318A. Special measures for jurisdictions, financial institutions, or inter-  
national transactions of primary money laundering concern.”.

1 **SEC. 312. SPECIAL DUE DILIGENCE FOR CORRESPONDENT**  
2 **ACCOUNTS AND PRIVATE BANKING AC-**  
3 **COUNTS.**

4 (a) IN GENERAL.—Section 5318 of title 31, United  
5 States Code, is amended by adding at the end the fol-  
6 lowing:

7 “(i) DUE DILIGENCE FOR UNITED STATES PRIVATE  
8 BANKING AND CORRESPONDENT BANK ACCOUNTS IN-  
9 VOLVING FOREIGN PERSONS.—

10 “(1) IN GENERAL.—Each financial institution  
11 that establishes, maintains, administers, or manages  
12 a private banking account or a correspondent ac-  
13 count in the United States for a non-United States  
14 person, including a foreign individual visiting the  
15 United States, or a representative of a non-United  
16 States person shall establish appropriate, specific,  
17 and, where necessary, enhanced, due diligence poli-  
18 cies, procedures, and controls that are reasonably  
19 designed to detect and report instances of money  
20 laundering through those accounts.

21 “(2) ADDITIONAL STANDARDS FOR CERTAIN  
22 CORRESPONDENT ACCOUNTS.—

23 “(A) IN GENERAL.—Subparagraph (B)  
24 shall apply if a correspondent account is re-  
25 quested or maintained by, or on behalf of, a  
26 foreign bank operating—

1           “(i) under an offshore banking li-  
2           cense; or

3           “(ii) under a banking license issued  
4           by a foreign country that has been  
5           designated—

6                   “(I) as noncooperative with inter-  
7                   national anti-money laundering prin-  
8                   ciples or procedures by an intergov-  
9                   ernmental group or organization of  
10                  which the United States is a member,  
11                  with which designation the United  
12                  States representative to the group or  
13                  organization concurs; or

14                   “(II) by the Secretary of the  
15                  Treasury as warranting special meas-  
16                  ures due to money laundering con-  
17                  cerns.

18           “(B) POLICIES, PROCEDURES, AND CON-  
19           TROLS.—The enhanced due diligence policies,  
20           procedures, and controls required under para-  
21           graph (1) shall, at a minimum, ensure that the  
22           financial institution in the United States takes  
23           reasonable steps—

24                   “(i) to ascertain for any such foreign  
25                  bank, the shares of which are not publicly

1           traded, the identity of each of the owners  
2           of the foreign bank, and the nature and  
3           extent of the ownership interest of each  
4           such owner;

5           “(ii) to conduct enhanced scrutiny of  
6           such account to guard against money laun-  
7           dering and report any suspicious trans-  
8           actions under subsection (g); and

9           “(iii) to ascertain whether such for-  
10          eign bank provides correspondent accounts  
11          to other foreign banks and, if so, the iden-  
12          tity of those foreign banks and related due  
13          diligence information, as appropriate under  
14          paragraph (1).

15          “(3) MINIMUM STANDARDS FOR PRIVATE BANK-  
16          ING ACCOUNTS.—If a private banking account is re-  
17          quested or maintained by, or on behalf of, a non-  
18          United States person, then the due diligence policies,  
19          procedures, and controls required under paragraph  
20          (1) shall, at a minimum, ensure that the financial  
21          institution takes reasonable steps—

22                 “(A) to ascertain the identity of the nomi-  
23                 nal and beneficial owners of, and the source of  
24                 funds deposited into, such account as needed to  
25                 guard against money laundering and report any

1 suspicious transactions under subsection (g);  
2 and

3 “(B) to conduct enhanced scrutiny of any  
4 such account that is requested or maintained  
5 by, or on behalf of, a senior foreign political fig-  
6 ure, or any immediate family member or close  
7 associate of a senior foreign political figure that  
8 is reasonably designed to detect and report  
9 transactions that may involve the proceeds of  
10 foreign corruption.

11 “(4) DEFINITION.—For purposes of this sub-  
12 section, the following definitions shall apply:

13 “(A) OFFSHORE BANKING LICENSE.—The  
14 term ‘offshore banking license’ means a license  
15 to conduct banking activities which, as a condi-  
16 tion of the license, prohibits the licensed entity  
17 from conducting banking activities with the citi-  
18 zens of, or with the local currency of, the coun-  
19 try which issued the license.”.

20 “(B) PRIVATE BANKING ACCOUNT.—The  
21 term ‘private banking account’ means an ac-  
22 count (or any combination of accounts) that—

23 “(i) requires a minimum aggregate  
24 deposits of funds or other assets of not less  
25 than \$1,000,000;

1           “(ii) is established on behalf of 1 or  
2           more individuals who have a direct or ben-  
3           eficial ownership interest in the account;  
4           and

5           “(iii) is assigned to, or is administered  
6           or managed by, in whole or in part, an of-  
7           ficer, employee, or agent of a financial in-  
8           stitution acting as a liaison between the fi-  
9           nancial institution and the direct or bene-  
10          ficial owner of the account.”.

11          (b) REGULATORY AUTHORITY AND EFFECTIVE  
12          DATE.—

13           (1) REGULATORY AUTHORITY.—Not later than  
14          180 days after the date of enactment of this Act, the  
15          Secretary, in consultation with the appropriate Fed-  
16          eral functional regulators (as defined in section 509  
17          of the Gramm-Leach-Bliley Act) of the affected fi-  
18          nancial institutions, shall further delineate, by regu-  
19          lation, the due diligence policies, procedures, and  
20          controls required under section 5318(i)(1) of title  
21          31, United States Code, as added by this section.

22           (2) EFFECTIVE DATE.—Section 5318(i) of title  
23          31, United States Code, as added by this section,  
24          shall take effect 270 days after the date of enact-  
25          ment of this Act, whether or not final regulations

1 are issued under paragraph (1), and the failure to  
2 issue such regulations shall in no way affect the en-  
3 forceability of this section or the amendments made  
4 by this section. Section 5318(i) of title 31, United  
5 States Code, as added by this section, shall apply  
6 with respect to accounts covered by that section  
7 5318(i), that are opened before, on, or after the date  
8 of enactment of this Act.

9 **SEC. 313. PROHIBITION ON UNITED STATES COR-**  
10 **RESPONDENT ACCOUNTS WITH FOREIGN**  
11 **SHELL BANKS.**

12 (a) IN GENERAL.—Section 5318 of title 31, United  
13 States Code, as amended by this title, is amended by add-  
14 ing at the end the following:

15 “(j) PROHIBITION ON UNITED STATES COR-  
16 RESPONDENT ACCOUNTS WITH FOREIGN SHELL  
17 BANKS.—

18 “(1) IN GENERAL.—A financial institution de-  
19 scribed in subparagraphs (A) through (G) of section  
20 5312(a)(2) (in this subsection referred to as a ‘cov-  
21 ered financial institution’) shall not establish, main-  
22 tain, administer, or manage a correspondent account  
23 in the United States for, or on behalf of, a foreign  
24 bank that does not have a physical presence in any  
25 country.



1           “(2) PREVENTION OF INDIRECT SERVICE TO  
2 FOREIGN SHELL BANKS.—A covered financial insti-  
3 tution shall take reasonable steps to ensure that any  
4 correspondent account established, maintained, ad-  
5 ministered, or managed by that covered financial in-  
6 stitution in the United States for a foreign bank is  
7 not being used by that foreign bank to indirectly  
8 provide banking services to another foreign bank  
9 that does not have a physical presence in any coun-  
10 try. The Secretary of the Treasury shall, by regula-  
11 tion, delineate the reasonable steps necessary to  
12 comply with this paragraph.

13           “(3) EXCEPTION.—Paragraphs (1) and (2) do  
14 not prohibit a covered financial institution from pro-  
15 viding a correspondent account to a foreign bank, if  
16 the foreign bank—

17           “(A) is an affiliate of a depository institu-  
18 tion, credit union, or foreign bank that main-  
19 tains a physical presence in the United States  
20 or a foreign country, as applicable; and

21           “(B) is subject to supervision by a banking  
22 authority in the country regulating the affili-  
23 ated depository institution, credit union, or for-  
24 eign bank described in subparagraph (A), as  
25 applicable.

1           “(4) DEFINITIONS.—For purposes of this  
2 subsection—

3           “(A) the term ‘affiliate’ means a foreign  
4 bank that is controlled by or is under common  
5 control with a depository institution, credit  
6 union, or foreign bank; and

7           “(B) the term ‘physical presence’ means a  
8 place of business that—

9           “(i) is maintained by a foreign bank;

10           “(ii) is located at a fixed address  
11 (other than solely an electronic address) in  
12 a country in which the foreign bank is au-  
13 thorized to conduct banking activities, at  
14 which location the foreign bank—

15           “(I) employs 1 or more individ-  
16 uals on a full-time basis; and

17           “(II) maintains operating records  
18 related to its banking activities; and

19           “(iii) is subject to inspection by the  
20 banking authority which licensed the for-  
21 eign bank to conduct banking activities.”.

22       (b) EFFECTIVE DATE.—The amendment made by  
23 subsection (a) shall take effect at the end of the 60-day  
24 period beginning on the date of enactment of this Act.

1 **SEC. 314. COOPERATIVE EFFORTS TO DETER MONEY LAUN-**  
2 **DERING.**

3 (a) COOPERATION AMONG FINANCIAL INSTITUTIONS,  
4 REGULATORY AUTHORITIES, AND LAW ENFORCEMENT  
5 AUTHORITIES.—

6 (1) REGULATIONS.—The Secretary shall, within  
7 120 days after the date of enactment of this Act,  
8 adopt regulations to encourage further cooperation  
9 among financial institutions, their regulatory au-  
10 thorities, and law enforcement authorities, with the  
11 specific purpose of encouraging regulatory authori-  
12 ties and law enforcement authorities to share with  
13 financial institutions information regarding individ-  
14 uals, entities, and organizations engaged in or rea-  
15 sonably suspected based on credible evidence of en-  
16 gaging in terrorist acts or money laundering activi-  
17 ties.

18 (2) COOPERATION AND INFORMATION SHARING  
19 PROCEDURES.—The regulations adopted under para-  
20 graph (1) may include or create procedures for co-  
21 operation and information sharing focusing on—

22 (A) matters specifically related to the fi-  
23 nances of terrorist groups, the means by which  
24 terrorist groups transfer funds around the  
25 world and within the United States, including  
26 through the use of charitable organizations,

1 nonprofit organizations, and nongovernmental  
2 organizations, and the extent to which financial  
3 institutions in the United States are unwittingly  
4 involved in such finances and the extent to  
5 which such institutions are at risk as a result;

6 (B) the relationship, particularly the finan-  
7 cial relationship, between international narcotics  
8 traffickers and foreign terrorist organizations,  
9 the extent to which their memberships overlap  
10 and engage in joint activities, and the extent to  
11 which they cooperate with each other in raising  
12 and transferring funds for their respective pur-  
13 poses; and

14 (C) means of facilitating the identification  
15 of accounts and transactions involving terrorist  
16 groups and facilitating the exchange of informa-  
17 tion concerning such accounts and transactions  
18 between financial institutions and law enforce-  
19 ment organizations.

20 (3) CONTENTS.—The regulations adopted pur-  
21 suant to paragraph (1) may—

22 (A) require that each financial institution  
23 designate 1 or more persons to receive informa-  
24 tion concerning, and to monitor accounts of in-

1           dividuals, entities, and organizations identified,  
2           pursuant to paragraph (1); and

3           (B) further establish procedures for the  
4           protection of the shared information, consistent  
5           with the capacity, size, and nature of the insti-  
6           tution to which the particular procedures apply.

7           (4) RULE OF CONSTRUCTION.—The receipt of  
8           information by a financial institution pursuant to  
9           this section shall not relieve or otherwise modify the  
10          obligations of the financial institution with respect  
11          to any other person or account.

12          (5) USE OF INFORMATION.—Information re-  
13          ceived by a financial institution pursuant to this sec-  
14          tion shall not be used for any purpose other than  
15          identifying and reporting on activities that may in-  
16          volve terrorist acts or money laundering activities.

17          (b) COOPERATION AMONG FINANCIAL INSTITU-  
18          TIONS.—Upon notice provided to the Secretary, 2 or more  
19          financial institutions and any association of financial insti-  
20          tutions may share information with one another regarding  
21          individuals, entities, organizations, and countries sus-  
22          pected of possible terrorist or money laundering activities.  
23          A financial institution or association that transmits, re-  
24          ceives, or shares such information for the purposes of  
25          identifying and reporting activities that may involve ter-

1 rorist acts or money laundering activities shall not be lia-  
2 ble to any person under any law or regulation of the  
3 United States, any constitution, law, or regulation of any  
4 State or political subdivision thereof, or under any con-  
5 tract or other legally enforceable agreement (including any  
6 arbitration agreement), for such disclosure or for any fail-  
7 ure to provide notice of such disclosure to the person who  
8 is the subject of such disclosure, or any other person iden-  
9 tified in the disclosure, except where such transmission,  
10 receipt, or sharing violates this section or regulations pro-  
11 mulgated pursuant to this section.

12 (c) RULE OF CONSTRUCTION.—Compliance with the  
13 provisions of this title requiring or allowing financial insti-  
14 tutions and any association of financial institutions to dis-  
15 close or share information regarding individuals, entities,  
16 and organizations engaged in or suspected of engaging in  
17 terrorist acts or money laundering activities shall not con-  
18 stitute a violation of the provisions of title V of the  
19 Gramm-Leach-Bliley Act (Public Law 106–102).

20 (d) REPORTS TO THE FINANCIAL SERVICES INDUS-  
21 TRY ON SUSPICIOUS FINANCIAL ACTIVITIES.—At least  
22 semiannually, the Secretary shall—

23 (1) publish a report containing a detailed anal-  
24 ysis identifying patterns of suspicious activity and  
25 other investigative insights derived from suspicious

1 activity reports and investigations conducted by Fed-  
2 eral, State, and local law enforcement agencies to  
3 the extent appropriate; and

4 (2) distribute such report to financial institu-  
5 tions (as defined in section 5312 of title 31, United  
6 States Code).

7 **SEC. 315. INCLUSION OF FOREIGN CORRUPTION OFFENSES**

8 **AS MONEY LAUNDERING CRIMES.**

9 Section 1956(c)(7) of title 18, United States Code,  
10 is amended—

11 (1) in subparagraph (B)—

12 (A) in clause (ii), by striking “or destruc-  
13 tion of property by means of explosive or fire”  
14 and inserting “destruction of property by means  
15 of explosive or fire, or a crime of violence (as  
16 defined in section 16)”;

17 (B) in clause (iii), by striking “1978” and  
18 inserting “1978”;

19 (C) by adding at the end the following:

20 “(iv) bribery of a public official, or  
21 the misappropriation, theft, or embezzle-  
22 ment of public funds by or for the benefit  
23 of a public official;

24 “(v) smuggling or export control viola-  
25 tions involving—

1                   “(I) an item controlled on the  
2                   United States Munitions List estab-  
3                   lished under section 38 of the Arms  
4                   Export Control Act (22 U.S.C. 2778);  
5                   or

6                   “(II) an item controlled under  
7                   regulations under the Export Admin-  
8                   istration Regulations (15 C.F.R.  
9                   Parts 730–774); or

10                   “(vi) an offense with respect to which  
11                   the United States would be obligated by a  
12                   multilateral treaty, either to extradite the  
13                   alleged offender or to submit the case for  
14                   prosecution, if the offender were found  
15                   within the territory of the United States;”;  
16                   and

17                   (2) in subparagraph (D)—

18                   (A) by inserting “section 541 (relating to  
19                   goods falsely classified),” before “section 542”;

20                   (B) by inserting “section 922(1) (relating  
21                   to the unlawful importation of firearms), sec-  
22                   tion 924(n) (relating to firearms trafficking),”  
23                   before “section 956”;



1 (C) by inserting “section 1030 (relating to  
2 computer fraud and abuse),” before “1032”;  
3 and

4 (D) by inserting “any felony violation of  
5 the Foreign Agents Registration Act of 1938,”  
6 before “or any felony violation of the Foreign  
7 Corrupt Practices Act”.

8 **SEC. 316. ANTI-TERRORIST FORFEITURE PROTECTION.**

9 (a) **RIGHT TO CONTEST.**—An owner of property that  
10 is confiscated under any provision of law relating to the  
11 confiscation of assets of suspected international terrorists,  
12 may contest that confiscation by filing a claim in the man-  
13 ner set forth in the Federal Rules of Civil Procedure (Sup-  
14 plemental Rules for Certain Admiralty and Maritime  
15 Claims), and asserting as an affirmative defense that—

16 (1) the property is not subject to confiscation  
17 under such provision of law; or

18 (2) the innocent owner provisions of section  
19 983(d) of title 18, United States Code, apply to the  
20 case.

21 (b) **EVIDENCE.**—In considering a claim filed under  
22 this section, a court may admit evidence that is otherwise  
23 inadmissible under the Federal Rules of Evidence, if the  
24 court determines that the evidence is reliable, and that

1 compliance with the Federal Rules of Evidence may jeop-  
2 ardize the national security interests of the United States.

3 (c) CLARIFICATIONS.—

4 (1) PROTECTION OF RIGHTS.—The exclusion of  
5 certain provisions of Federal law from the definition  
6 of the term “civil forfeiture statute” in section  
7 983(i) of title 18, United States Code, shall not be  
8 construed to deny an owner of property the right to  
9 contest the confiscation of assets of suspected inter-  
10 national terrorists under—

11 (A) subsection (a) of this section;

12 (B) the Constitution; or

13 (C) subchapter II of chapter 5 of title 5,  
14 United States Code (commonly known as the  
15 “Administrative Procedure Act”).

16 (2) SAVINGS CLAUSE.—Nothing in this section  
17 shall limit or otherwise affect any other remedies  
18 that may be available to an owner of property under  
19 section 983 of title 18, United States Code, or any  
20 other provision of law.

21 (d) TECHNICAL CORRECTION.—Section 983(i)(2)(D)  
22 of title 18, United States Code, is amended by inserting  
23 “or the International Emergency Economic Powers Act  
24 (IEEPA) (50 U.S.C. 1701 et seq.)” before the semicolon.

1 **SEC. 317. LONG-ARM JURISDICTION OVER FOREIGN MONEY**  
2 **LAUNDERERS.**

3 Section 1956(b) of title 18, United States Code, is  
4 amended—

5 (1) by redesignating paragraphs (1) and (2) as  
6 subparagraphs (A) and (B), respectively, and mov-  
7 ing the margins 2 ems to the right;

8 (2) by inserting after “(b)” the following:

9 “PENALTIES.—

10 “(1) IN GENERAL.—”;

11 (3) by inserting “, or section 1957” after “or  
12 (a)(3)”; and

13 (4) by adding at the end the following:

14 “(2) JURISDICTION OVER FOREIGN PERSONS.—

15 For purposes of adjudicating an action filed or en-  
16 forcing a penalty ordered under this section, the dis-  
17 trict courts shall have jurisdiction over any foreign  
18 person, including any financial institution authorized  
19 under the laws of a foreign country, against whom  
20 the action is brought, if service of process upon the  
21 foreign person is made under the Federal Rules of  
22 Civil Procedure or the laws of the country in which  
23 the foreign person is found, and—

24 “(A) the foreign person commits an offense  
25 under subsection (a) involving a financial trans-

1           action that occurs in whole or in part in the  
2           United States;

3           “(B) the foreign person converts, to his or  
4           her own use, property in which the United  
5           States has an ownership interest by virtue of  
6           the entry of an order of forfeiture by a court  
7           of the United States; or

8           “(C) the foreign person is a financial insti-  
9           tution that maintains a bank account at a fi-  
10          nancial institution in the United States.

11          “(3) COURT AUTHORITY OVER ASSETS.—A  
12          court described in paragraph (2) may issue a pre-  
13          trial restraining order or take any other action nec-  
14          essary to ensure that any bank account or other  
15          property held by the defendant in the United States  
16          is available to satisfy a judgment under this section.

17          “(4) FEDERAL RECEIVER.—

18                 “(A) IN GENERAL.—A court described in  
19                 paragraph (2) may appoint a Federal Receiver,  
20                 in accordance with subparagraph (B) of this  
21                 paragraph, to collect, marshal, and take cus-  
22                 tody, control, and possession of all assets of the  
23                 defendant, wherever located, to satisfy a civil  
24                 judgment under this subsection, a forfeiture  
25                 judgment under section 981 or 982, or a crimi-

1           nal sentence under section 1957 or subsection  
2           (a) of this section, including an order of restitu-  
3           tion to any victim of a specified unlawful activ-  
4           ity.

5           “(B) APPOINTMENT AND AUTHORITY.—A  
6           Federal Receiver described in subparagraph  
7           (A)—

8                   “(i) may be appointed upon applica-  
9                   tion of a Federal prosecutor or a Federal  
10                  or State regulator, by the court having ju-  
11                  risdiction over the defendant in the case;

12                  “(ii) shall be an officer of the court,  
13                  and the powers of the Federal Receiver  
14                  shall include the powers set out in section  
15                  754 of title 28, United States Code; and

16                  “(iii) shall have standing equivalent to  
17                  that of a Federal prosecutor for the pur-  
18                  pose of submitting requests to obtain infor-  
19                  mation regarding the assets of the  
20                  defendant—

21                   “(I) from the Financial Crimes  
22                   Enforcement Network of the Depart-  
23                   ment of the Treasury; or

24                   “(II) from a foreign country pur-  
25                   suant to a mutual legal assistance

1 treaty, multilateral agreement, or  
2 other arrangement for international  
3 law enforcement assistance, provided  
4 that such requests are in accordance  
5 with the policies and procedures of the  
6 Attorney General.”.

7 **SEC. 318. LAUNDERING MONEY THROUGH A FOREIGN**  
8 **BANK.**

9 Section 1956(c) of title 18, United States Code, is  
10 amended by striking paragraph (6) and inserting the fol-  
11 lowing:

12 “(6) the term ‘financial institution’ includes—

13 “(A) any financial institution, as defined in  
14 section 5312(a)(2) of title 31, United States  
15 Code, or the regulations promulgated there-  
16 under; and

17 “(B) any foreign bank, as defined in sec-  
18 tion 1 of the International Banking Act of 1978  
19 (12 U.S.C. 3101).”.

20 **SEC. 319. FORFEITURE OF FUNDS IN UNITED STATES**  
21 **INTERBANK ACCOUNTS.**

22 (a) FORFEITURE FROM UNITED STATES INTERBANK  
23 ACCOUNT.—Section 981 of title 18, United States Code,  
24 is amended by adding at the end the following:

25 “(k) INTERBANK ACCOUNTS.—

1 “(1) IN GENERAL.—

2 “(A) IN GENERAL.—For the purpose of a  
3 forfeiture under this section or under the Con-  
4 trolled Substances Act (21 U.S.C. 801 et seq.),  
5 if funds are deposited into an account at a for-  
6 eign bank, and that foreign bank has an inter-  
7 bank account in the United States with a cov-  
8 ered financial institution (as defined in section  
9 5318(j)(1) of title 31), the funds shall be  
10 deemed to have been deposited into the inter-  
11 bank account in the United States, and any re-  
12 straining order, seizure warrant, or arrest war-  
13 rant in rem regarding the funds may be served  
14 on the covered financial institution, and funds  
15 in the interbank account, up to the value of the  
16 funds deposited into the account at the foreign  
17 bank, may be restrained, seized, or arrested.

18 “(B) AUTHORITY TO SUSPEND.—The At-  
19 torney General, in consultation with the Sec-  
20 retary of the Treasury, may suspend or termi-  
21 nate a forfeiture under this section if the Attor-  
22 ney General determines that a conflict of law  
23 exists between the laws of the jurisdiction in  
24 which the foreign bank is located and the laws  
25 of the United States with respect to liabilities

1           arising from the restraint, seizure, or arrest of  
2           such funds, and that such suspension or termi-  
3           nation would be in the interest of justice and  
4           would not harm the national interests of the  
5           United States.

6           “(2) NO REQUIREMENT FOR GOVERNMENT TO  
7           TRACE FUNDS.—If a forfeiture action is brought  
8           against funds that are restrained, seized, or arrested  
9           under paragraph (1), it shall not be necessary for  
10          the Government to establish that the funds are di-  
11          rectly traceable to the funds that were deposited into  
12          the foreign bank, nor shall it be necessary for the  
13          Government to rely on the application of section  
14          984.

15          “(3) CLAIMS BROUGHT BY OWNER OF THE  
16          FUNDS.—If a forfeiture action is instituted against  
17          funds restrained, seized, or arrested under para-  
18          graph (1), the owner of the funds deposited into the  
19          account at the foreign bank may contest the for-  
20          feiture by filing a claim under section 983.

21          “(4) DEFINITIONS.—For purposes of this sub-  
22          section, the following definitions shall apply:

23                  “(A) INTERBANK ACCOUNT.—The term  
24                  ‘interbank account’ has the same meaning as in  
25                  section 984(c)(2)(B).



1 “(B) OWNER.—

2 “(i) IN GENERAL.—Except as pro-  
3 vided in clause (ii), the term ‘owner’—

4 “(I) means the person who was  
5 the owner, as that term is defined in  
6 section 983(d)(6), of the funds that  
7 were deposited into the foreign bank  
8 at the time such funds were deposited;  
9 and

10 “(II) does not include either the  
11 foreign bank or any financial institu-  
12 tion acting as an intermediary in the  
13 transfer of the funds into the inter-  
14 bank account.

15 “(ii) EXCEPTION.—The foreign bank  
16 may be considered the ‘owner’ of the funds  
17 (and no other person shall qualify as the  
18 owner of such funds) only if—

19 “(I) the basis for the forfeiture  
20 action is wrongdoing committed by  
21 the foreign bank; or

22 “(II) the foreign bank estab-  
23 lishes, by a preponderance of the evi-  
24 dence, that prior to the restraint, sei-  
25 zure, or arrest of the funds, the for-

1           eign bank had discharged all or part  
2           of its obligation to the prior owner of  
3           the funds, in which case the foreign  
4           bank shall be deemed the owner of the  
5           funds to the extent of such discharged  
6           obligation.”.

7           (b) BANK RECORDS.—Section 5318 of title 31,  
8           United States Code, as amended by this title, is amended  
9           by adding at the end the following:

10          “(k) BANK RECORDS RELATED TO ANTI-MONEY  
11          LAUNDERING PROGRAMS.—

12                 “(1) DEFINITIONS.—For purposes of this sub-  
13                 section, the following definitions shall apply:

14                         “(A) APPROPRIATE FEDERAL BANKING  
15                         AGENCY.—The term ‘appropriate Federal bank-  
16                         ing agency’ has the same meaning as in section  
17                         3 of the Federal Deposit Insurance Act (12  
18                         U.S.C. 1813).

19                         “(B) INCORPORATED TERM.—The term  
20                         ‘correspondent account’ has the same meaning  
21                         as in section 5318A(f)(1)(B).

22                 “(2) 120-HOUR RULE.—Not later than 120  
23                 hours after receiving a request by an appropriate  
24                 Federal banking agency for information related to  
25                 anti-money laundering compliance by a covered fi-

1 nancial institution or a customer of such institution,  
2 a covered financial institution shall provide to the  
3 appropriate Federal banking agency, or make avail-  
4 able at a location specified by the representative of  
5 the appropriate Federal banking agency, information  
6 and account documentation for any account opened,  
7 maintained, administered or managed in the United  
8 States by the covered financial institution.

9 “(3) FOREIGN BANK RECORDS.—

10 “(A) SUMMONS OR SUBPOENA OF  
11 RECORDS.—

12 “(i) IN GENERAL.—The Secretary of  
13 the Treasury or the Attorney General may  
14 issue a summons or subpoena to any for-  
15 eign bank that maintains a correspondent  
16 account in the United States and request  
17 records related to such correspondent ac-  
18 count, including records maintained out-  
19 side of the United States relating to the  
20 deposit of funds into the foreign bank.

21 “(ii) SERVICE OF SUMMONS OR SUB-  
22 POENA.—A summons or subpoena referred  
23 to in clause (i) may be served on the for-  
24 eign bank in the United States if the for-  
25 eign bank has a representative in the

1 United States, or in a foreign country pur-  
2 suant to any mutual legal assistance trea-  
3 ty, multilateral agreement, or other request  
4 for international law enforcement assist-  
5 ance.

6 “(B) ACCEPTANCE OF SERVICE.—

7 “(i) MAINTAINING RECORDS IN THE  
8 UNITED STATES.—Any covered financial  
9 institution which maintains a cor-  
10 respondent account in the United States  
11 for a foreign bank shall maintain records  
12 in the United States identifying the owners  
13 of such foreign bank and the name and ad-  
14 dress of a person who resides in the United  
15 States and is authorized to accept service  
16 of legal process for records regarding the  
17 correspondent account.

18 “(ii) LAW ENFORCEMENT REQUEST.—

19 Upon receipt of a written request from a  
20 Federal law enforcement officer for infor-  
21 mation required to be maintained under  
22 this paragraph, the covered financial insti-  
23 tution shall provide the information to the  
24 requesting officer not later than 7 days  
25 after receipt of the request.

1           “(C) TERMINATION OF CORRESPONDENT  
2 RELATIONSHIP.—

3           “(i) TERMINATION UPON RECEIPT OF  
4 NOTICE.—A covered financial institution  
5 shall terminate any correspondent relation-  
6 ship with a foreign bank not later than 10  
7 business days after receipt of written no-  
8 tice from the Secretary or the Attorney  
9 General (in each case, after consultation  
10 with the other) that the foreign bank has  
11 failed—

12           “(I) to comply with a summons  
13 or subpoena issued under subpara-  
14 graph (A); or

15           “(II) to initiate proceedings in a  
16 United States court contesting such  
17 summons or subpoena.

18           “(ii) LIMITATION ON LIABILITY.—A  
19 covered financial institution shall not be  
20 liable to any person in any court or arbi-  
21 tration proceeding for terminating a cor-  
22 respondent relationship in accordance with  
23 this subsection.

24           “(iii) FAILURE TO TERMINATE RELA-  
25 TIONSHIP.—Failure to terminate a cor-

1           respondent relationship in accordance with  
2           this subsection shall render the covered fi-  
3           nancial institution liable for a civil penalty  
4           of up to \$10,000 per day until the cor-  
5           respondent relationship is so terminated.”.

6           (c) GRACE PERIOD.—Financial institutions shall  
7 have 60 days from the date of enactment of this Act to  
8 comply with the provisions of section 5318(k) of title 31,  
9 United States Code, as added by this section.

10          (d) AUTHORITY TO ORDER CONVICTED CRIMINAL  
11 TO RETURN PROPERTY LOCATED ABROAD.—

12           (1) FORFEITURE OF SUBSTITUTE PROPERTY.—  
13 Section 413(p) of the Controlled Substances Act (21  
14 U.S.C. 853) is amended to read as follows:

15          “(p) FORFEITURE OF SUBSTITUTE PROPERTY.—

16           “(1) IN GENERAL.—Paragraph (2) of this sub-  
17 section shall apply, if any property described in sub-  
18 section (a), as a result of any act or omission of the  
19 defendant—

20           “(A) cannot be located upon the exercise of  
21 due diligence;

22           “(B) has been transferred or sold to, or  
23 deposited with, a third party;

24           “(C) has been placed beyond the jurisdic-  
25 tion of the court;

1           “(D) has been substantially diminished in  
2           value; or

3           “(E) has been commingled with other  
4           property which cannot be divided without dif-  
5           ficulty.

6           “(2) SUBSTITUTE PROPERTY.—In any case de-  
7           scribed in any of subparagraphs (A) through (E) of  
8           paragraph (1), the court shall order the forfeiture of  
9           any other property of the defendant, up to the value  
10          of any property described in subparagraphs (A)  
11          through (E) of paragraph (1), as applicable.

12          “(3) RETURN OF PROPERTY TO JURISDIC-  
13          TION.—In the case of property described in para-  
14          graph (1)(C), the court may, in addition to any  
15          other action authorized by this subsection, order the  
16          defendant to return the property to the jurisdiction  
17          of the court so that the property may be seized and  
18          forfeited.”.

19          “(2) PROTECTIVE ORDERS.—Section 413(e) of  
20          the Controlled Substances Act (21 U.S.C. 853(e)) is  
21          amended by adding at the end the following:

22          “(4) ORDER TO REPATRIATE AND DEPOSIT.—

23                 “(A) IN GENERAL.—Pursuant to its au-  
24                 thority to enter a pretrial restraining order  
25                 under this section, the court may order a de-

1            fendant to repatriate any property that may be  
2            seized and forfeited, and to deposit that prop-  
3            erty pending trial in the registry of the court,  
4            or with the United States Marshals Service or  
5            the Secretary of the Treasury, in an interest-  
6            bearing account, if appropriate.

7            “(B) FAILURE TO COMPLY.—Failure to  
8            comply with an order under this subsection, or  
9            an order to repatriate property under sub-  
10           section (p), shall be punishable as a civil or  
11           criminal contempt of court, and may also result  
12           in an enhancement of the sentence of the de-  
13           fendant under the obstruction of justice provi-  
14           sion of the Federal Sentencing Guidelines.”.

15 **SEC. 320. PROCEEDS OF FOREIGN CRIMES.**

16           Section 981(a)(1)(B) of title 18, United States Code,  
17 is amended to read as follows:

18           “(B) Any property, real or personal, within the  
19           jurisdiction of the United States, constituting, de-  
20           rived from, or traceable to, any proceeds obtained di-  
21           rectly or indirectly from an offense against a foreign  
22           nation, or any property used to facilitate such an of-  
23           fense, if the offense—

24           “(i) involves the manufacture, importation,  
25           sale, or distribution of a controlled substance



1 (as that term is defined for purposes of the  
2 Controlled Substances Act), or any other con-  
3 duct described in section 1956(c)(7)(B);

4 “(ii) would be punishable within the juris-  
5 diction of the foreign nation by death or impris-  
6 onment for a term exceeding 1 year; and

7 “(iii) would be punishable under the laws  
8 of the United States by imprisonment for a  
9 term exceeding 1 year, if the act or activity con-  
10 stituting the offense had occurred within the ju-  
11 risdiction of the United States.”.

12 **SEC. 321. FINANCIAL INSTITUTIONS SPECIFIED IN SUB-**  
13 **CHAPTER II OF CHAPTER 53 OF TITLE 31,**  
14 **UNITED STATES CODE.**

15 (a) CREDIT UNIONS.—Subparagraph (E) of section  
16 5312(2) of title 31, United States Code, is amended to  
17 read as follows:

18 “(E) any credit union;”.

19 (b) FUTURES COMMISSION MERCHANT; COMMODITY  
20 TRADING ADVISOR; COMMODITY POOL OPERATOR.—Sec-  
21 tion 5312 of title 31, United States Code, is amended by  
22 adding at the end the following new subsection:

23 “(c) ADDITIONAL DEFINITIONS.—For purposes of  
24 this subchapter, the following definitions shall apply:

1           “(1) CERTAIN INSTITUTIONS INCLUDED IN  
2           DEFINITION.—The term ‘financial institution’ (as  
3           defined in subsection (a)) includes the following:

4                   “(A) Any futures commission merchant,  
5                   commodity trading advisor, or commodity pool  
6                   operator registered, or required to register,  
7                   under the Commodity Exchange Act.”.

8           (c) CFTC INCLUDED.—For purposes of this Act and  
9           any amendment made by this Act to any other provision  
10          of law, the term “Federal functional regulator” includes  
11          the Commodity Futures Trading Commission.

12          **SEC. 322. CORPORATION REPRESENTED BY A FUGITIVE.**

13          Section 2466 of title 18, United States Code, is  
14          amended by designating the present matter as subsection  
15          (a), and adding at the end the following:

16               “(b) Subsection (a) may be applied to a claim filed  
17          by a corporation if any majority shareholder, or individual  
18          filing the claim on behalf of the corporation is a person  
19          to whom subsection (a) applies.”.

20          **SEC. 323. ENFORCEMENT OF FOREIGN JUDGMENTS.**

21          Section 2467 of title 28, United States Code, is  
22          amended—

23               (1) in subsection (d), by adding the following  
24          after paragraph (2):

25               “(3) PRESERVATION OF PROPERTY.—

1           “(A) IN GENERAL.—To preserve the avail-  
2           ability of property subject to a foreign forfeiture  
3           or confiscation judgment, the Government may  
4           apply for, and the court may issue, a restrain-  
5           ing order pursuant to section 983(j) of title 18,  
6           at any time before or after an application is  
7           filed pursuant to subsection (c)(1) of this sec-  
8           tion.

9           “(B) EVIDENCE.—The court, in issuing a  
10          restraining order under subparagraph (A)—

11                 “(i) may rely on information set forth  
12                 in an affidavit describing the nature of the  
13                 proceeding or investigation underway in  
14                 the foreign country, and setting forth a  
15                 reasonable basis to believe that the prop-  
16                 erty to be restrained will be named in a  
17                 judgment of forfeiture at the conclusion of  
18                 such proceeding; or

19                 “(ii) may register and enforce a re-  
20                 straining order that has been issued by a  
21                 court of competent jurisdiction in the for-  
22                 eign country and certified by the Attorney  
23                 General pursuant to subsection (b)(2).

24          “(C) LIMIT ON GROUNDS FOR OBJEC-  
25          TION.—No person may object to a restraining

1           order under subparagraph (A) on any ground  
2           that is the subject of parallel litigation involving  
3           the same property that is pending in a foreign  
4           court.”;

5           (2) in subsection (b)(1)(C), by striking “estab-  
6           lishing that the defendant received notice of the pro-  
7           ceedings in sufficient time to enable the defendant”  
8           and inserting “establishing that the foreign nation  
9           took steps, in accordance with the principles of due  
10          process, to give notice of the proceedings to all per-  
11          sons with an interest in the property in sufficient  
12          time to enable such persons”;

13          (3) in subsection (d)(1)(D), by striking “the de-  
14          fendant in the proceedings in the foreign court did  
15          not receive notice” and inserting “the foreign nation  
16          did not take steps, in accordance with the principles  
17          of due process, to give notice of the proceedings to  
18          a person with an interest in the property”; and

19          (4) in subsection (a)(2)(A), by inserting “, any  
20          violation of foreign law that would constitute a viola-  
21          tion or an offense for which property could be for-  
22          feited under Federal law if the offense were com-  
23          mitted in the United States” after “United Nations  
24          Convention”.

1 **SEC. 324. REPORT AND RECOMMENDATION.**

2 Not later than 30 months after the date of enactment  
3 of this Act, the Secretary, in consultation with the Attor-  
4 ney General, the Federal banking agencies (as defined at  
5 section 3 of the Federal Deposit Insurance Act), the Na-  
6 tional Credit Union Administration Board, the Securities  
7 and Exchange Commission, and such other agencies as the  
8 Secretary may determine, at the discretion of the Sec-  
9 retary, shall evaluate the operations of the provisions of  
10 this subtitle and make recommendations to Congress as  
11 to any legislative action with respect to this subtitle as  
12 the Secretary may determine to be necessary or advisable.

13 **SEC. 325. CONCENTRATION ACCOUNTS AT FINANCIAL IN-**  
14 **STITUTIONS.**

15 Section 5318(h) of title 31, United States Code, as  
16 amended by section 202 of this title, is amended by adding  
17 at the end the following:

18 “(3) CONCENTRATION ACCOUNTS.—The Sec-  
19 retary may prescribe regulations under this sub-  
20 section that govern maintenance of concentration ac-  
21 counts by financial institutions, in order to ensure  
22 that such accounts are not used to prevent associa-  
23 tion of the identity of an individual customer with  
24 the movement of funds of which the customer is the  
25 direct or beneficial owner, which regulations shall, at  
26 a minimum—

1           “(A) prohibit financial institutions from al-  
2           lowing clients to direct transactions that move  
3           their funds into, out of, or through the con-  
4           centration accounts of the financial institution;

5           “(B) prohibit financial institutions and  
6           their employees from informing customers of  
7           the existence of, or the means of identifying,  
8           the concentration accounts of the institution;  
9           and

10           “(C) require each financial institution to  
11           establish written procedures governing the doc-  
12           umentation of all transactions involving a con-  
13           centration account, which procedures shall en-  
14           sure that, any time a transaction involving a  
15           concentration account commingles funds belong-  
16           ing to 1 or more customers, the identity of, and  
17           specific amount belonging to, each customer is  
18           documented.”.

19 **SEC. 326. VERIFICATION OF IDENTIFICATION.**

20           (a) IN GENERAL.—Section 5318 of title 31, United  
21 States Code, as amended by this title, is amended by add-  
22 ing at the end the following:

23           “(l) IDENTIFICATION AND VERIFICATION OF  
24 ACCOUNTHOLDERS.—

1           “(1) IN GENERAL.—Subject to the require-  
2           ments of this subsection, the Secretary of the Treas-  
3           ury shall prescribe regulations setting forth the min-  
4           imum standards for financial institutions and their  
5           customers regarding the identity of the customer  
6           that shall apply in connection with the opening of an  
7           account at a financial institution.

8           “(2) MINIMUM REQUIREMENTS.—The regula-  
9           tions shall, at a minimum, require financial institu-  
10          tions to implement, and customers (after being given  
11          adequate notice) to comply with, reasonable proce-  
12          dures for—

13               “(A) verifying the identity of any person  
14               seeking to open an account to the extent rea-  
15               sonable and practicable;

16               “(B) maintaining records of the informa-  
17               tion used to verify a person’s identity, including  
18               name, address, and other identifying informa-  
19               tion; and

20               “(C) consulting lists of known or suspected  
21               terrorists or terrorist organizations provided to  
22               the financial institution by any government  
23               agency to determine whether a person seeking  
24               to open an account appears on any such list.

1           “(3) FACTORS TO BE CONSIDERED.—In pre-  
2       scribing regulations under this subsection, the Sec-  
3       retary shall take into consideration the various types  
4       of accounts maintained by various types of financial  
5       institutions, the various methods of opening ac-  
6       counts, and the various types of identifying informa-  
7       tion available.

8           “(4) CERTAIN FINANCIAL INSTITUTIONS.—In  
9       the case of any financial institution the business of  
10      which is engaging in financial activities described in  
11      section 4(k) of the Bank Holding Company Act of  
12      1956 (including financial activities subject to the ju-  
13      risdiction of the Commodity Futures Trading Com-  
14      mission), the regulations prescribed by the Secretary  
15      under paragraph (1) shall be prescribed jointly with  
16      each Federal functional regulator (as defined in sec-  
17      tion 509 of the Gramm-Leach-Bliley Act, including  
18      the Commodity Futures Trading Commission) ap-  
19      propriate for such financial institution.

20          “(5) EXEMPTIONS.—The Secretary (and, in the  
21      case of any financial institution described in para-  
22      graph (4), any Federal agency described in such  
23      paragraph) may, by regulation or order, exempt any  
24      financial institution or type of account from the re-  
25      quirements of any regulation prescribed under this



1 subsection in accordance with such standards and  
2 procedures as the Secretary may prescribe.

3 “(6) EFFECTIVE DATE.—Final regulations pre-  
4 scribed under this subsection shall take effect before  
5 the end of the 1-year period beginning on the date  
6 of enactment of the International Money Laundering  
7 Abatement and Financial Anti-Terrorism Act of  
8 2001.”.

9 (b) STUDY AND REPORT REQUIRED.—Within 6  
10 months after the date of enactment of this Act, the Sec-  
11 retary, in consultation with the Federal functional regu-  
12 lators (as defined in section 509 of the Gramm-Leach-Bli-  
13 ley Act) and other appropriate Government agencies, shall  
14 submit a report to the Congress containing recommenda-  
15 tions for—

16 (1) determining the most timely and effective  
17 way to require foreign nationals to provide domestic  
18 financial institutions and agencies with appropriate  
19 and accurate information, comparable to that which  
20 is required of United States nationals, concerning  
21 the identity, address, and other related information  
22 about such foreign nationals necessary to enable  
23 such institutions and agencies to comply with the re-  
24 quirements of this section;

1           (2) requiring foreign nationals to apply for and  
2 obtain, before opening an account with a domestic  
3 financial institution, an identification number which  
4 would function similarly to a Social Security number  
5 or tax identification number; and

6           (3) establishing a system for domestic financial  
7 institutions and agencies to review information  
8 maintained by relevant Government agencies for  
9 purposes of verifying the identities of foreign nation-  
10 als seeking to open accounts at those institutions  
11 and agencies.

12 **SEC. 327. CONSIDERATION OF ANTI-MONEY LAUNDERING**

13 **RECORD.**

14 (a) **BANK HOLDING COMPANY ACT OF 1956.**—

15           (1) **IN GENERAL.**—Section 3(c) of the Bank  
16 Holding Company Act of 1956 (12 U.S.C. 1842(c))  
17 is amended by adding at the end the following new  
18 paragraph:

19           “(6) **MONEY LAUNDERING.**—In every case, the  
20 Board shall take into consideration the effectiveness  
21 of the company or companies in combatting money  
22 laundering activities, including in overseas  
23 branches.”.

24           (2) **SCOPE OF APPLICATION.**—The amendment made  
25 by paragraph (1) shall apply with respect to any applica-

1 tion submitted to the Board of Governors of the Federal  
2 Reserve System under section 3 of the Bank Holding  
3 Company Act of 1956 after December 31, 2001, which  
4 has not been approved by the Board before the date of  
5 enactment of this Act.

6 (b) MERGERS SUBJECT TO REVIEW UNDER FED-  
7 ERAL DEPOSIT INSURANCE ACT.—

8 (1) IN GENERAL.—Section 18(c) of the Federal  
9 Deposit Insurance Act (12 U.S.C. 1828(c)) is  
10 amended—

11 (A) by redesignating paragraph (11) as  
12 paragraph (12); and

13 (B) by inserting after paragraph (10), the  
14 following new paragraph:

15 “(11) MONEY LAUNDERING.—In every case, the  
16 responsible agency, shall take into consideration the  
17 effectiveness of any insured depository institution in-  
18 volved in the proposed merger transaction in com-  
19 battling money laundering activities, including in  
20 overseas branches.”.

21 (2) SCOPE OF APPLICATION.—The amendment  
22 made by paragraph (1) shall apply with respect to  
23 any application submitted to the responsible agency  
24 under section 18(c) of the Federal Deposit Insur-  
25 ance Act after December 31, 2001, which has not

1       been approved by all appropriate responsible agen-  
2       cies before the date of enactment of this Act.

3 **SEC. 328. INTERNATIONAL COOPERATION ON IDENTIFICA-**  
4                   **TION OF ORIGINATORS OF WIRE TRANSFERS.**

5       The Secretary shall—

6           (1) in consultation with the Attorney General  
7       and the Secretary of State, take all reasonable steps  
8       to encourage foreign governments to require the in-  
9       clusion of the name of the originator in wire transfer  
10      instructions sent to the United States and other  
11      countries, with the information to remain with the  
12      transfer from its origination until the point of dis-  
13      bursement; and

14          (2) report annually to the Committee on Finan-  
15      cial Services of the House of Representatives and  
16      the Committee on Banking, Housing, and Urban Af-  
17      fairs of the Senate on—

18           (A) progress toward the goal enumerated  
19      in paragraph (1), as well as impediments to im-  
20      plementation and an estimated compliance rate;  
21      and

22           (B) impediments to instituting a regime in  
23      which all appropriate identification, as defined  
24      by the Secretary, about wire transfer recipients

1           shall be included with wire transfers from their  
2           point of origination until disbursement.

3 **SEC. 329. CRIMINAL PENALTIES.**

4           Any person who is an official or employee of any de-  
5           partment, agency, bureau, office, commission, or other en-  
6           tity of the Federal Government, and any other person who  
7           is acting for or on behalf of any such entity, who, directly  
8           or indirectly, in connection with the administration of this  
9           title, corruptly demands, seeks, receives, accepts, or agrees  
10          to receive or accept anything of value personally or for  
11          any other person or entity in return for—

12                 (1) being influenced in the performance of any  
13                 official act;

14                 (2) being influenced to commit or aid in the  
15                 committing, or to collude in, or allow, any fraud, or  
16                 make opportunity for the commission of any fraud,  
17                 on the United States; or

18                 (3) being induced to do or omit to do any act  
19                 in violation of the official duty of such official or  
20                 person,

21 shall be fined in an amount not more than 3 times the  
22 monetary equivalent of the thing of value, or imprisoned  
23 for not more than 15 years, or both. A violation of this  
24 section shall be subject to chapter 227 of title 18, United

1 States Code, and the provisions of the United States Sen-  
2 tencing Guidelines.

3 **SEC. 330. INTERNATIONAL COOPERATION IN INVESTIGA-**  
4 **TIONS OF MONEY LAUNDERING, FINANCIAL**  
5 **CRIMES, AND THE FINANCES OF TERRORIST**  
6 **GROUPS.**

7 (a) NEGOTIATIONS.—It is the sense of the Congress  
8 that the President should direct the Secretary of State,  
9 the Attorney General, or the Secretary of the Treasury,  
10 as appropriate, and in consultation with the Board of Gov-  
11 ernors of the Federal Reserve System, to seek to enter  
12 into negotiations with the appropriate financial super-  
13 visory agencies and other officials of any foreign country  
14 the financial institutions of which do business with United  
15 States financial institutions or which may be utilized by  
16 any foreign terrorist organization (as designated under  
17 section 219 of the Immigration and Nationality Act), any  
18 person who is a member or representative of any such or-  
19 ganization, or any person engaged in money laundering  
20 or financial or other crimes.

21 (b) PURPOSES OF NEGOTIATIONS.—It is the sense of  
22 the Congress that, in carrying out any negotiations de-  
23 scribed in paragraph (1), the President should direct the  
24 Secretary of State, the Attorney General, or the Secretary  
25 of the Treasury, as appropriate, to seek to enter into and

1 further cooperative efforts, voluntary information ex-  
2 changes, the use of letters rogatory, mutual legal assist-  
3 ance treaties, and international agreements to—

4           (1) ensure that foreign banks and other finan-  
5           cial institutions maintain adequate records of trans-  
6           action and account information relating to any for-  
7           eign terrorist organization (as designated under sec-  
8           tion 219 of the Immigration and Nationality Act),  
9           any person who is a member or representative of any  
10          such organization, or any person engaged in money  
11          laundering or financial or other crimes; and

12          (2) establish a mechanism whereby such records  
13          may be made available to United States law enforce-  
14          ment officials and domestic financial institution su-  
15          pervisors, when appropriate.

16 **Subtitle B—Bank Secrecy Act**  
17 **Amendments and Related Im-**  
18 **provements**

19 **SEC. 351. AMENDMENTS RELATING TO REPORTING OF SUS-**  
20 **PICIOUS ACTIVITIES.**

21           (a) AMENDMENT RELATING TO CIVIL LIABILITY IM-  
22 MUNITY FOR DISCLOSURES.—Section 5318(g)(3) of title  
23 31, United States Code, is amended to read as follows:

24           “(3) LIABILITY FOR DISCLOSURES.—

1           “(A) IN GENERAL.—Any financial institu-  
2           tion that makes a voluntary disclosure of any  
3           possible violation of law or regulation to a gov-  
4           ernment agency or makes a disclosure pursuant  
5           to this subsection or any other authority, and  
6           any director, officer, employee, or agent of such  
7           institution who makes, or requires another to  
8           make any such disclosure, shall not be liable to  
9           any person under any law or regulation of the  
10          United States, any constitution, law, or regula-  
11          tion of any State or political subdivision of any  
12          State, or under any contract or other legally en-  
13          forceable agreement (including any arbitration  
14          agreement), for such disclosure or for any fail-  
15          ure to provide notice of such disclosure to the  
16          person who is the subject of such disclosure or  
17          any other person identified in the disclosure.

18           “(B) RULE OF CONSTRUCTION.—Subpara-  
19          graph (A) shall not be construed as creating—

20                   “(i) any inference that the term ‘per-  
21                   son’, as used in such subparagraph, may  
22                   be construed more broadly than its ordi-  
23                   nary usage so as to include any govern-  
24                   ment or agency of government; or



1           “(ii) any immunity against, or other-  
2           wise affecting, any civil or criminal action  
3           brought by any government or agency of  
4           government to enforce any constitution,  
5           law, or regulation of such government or  
6           agency.”.

7           (b) PROHIBITION ON NOTIFICATION OF DISCLO-  
8 SURES.—Section 5318(g)(2) of title 31, United States  
9 Code, is amended to read as follows:

10           “(2) NOTIFICATION PROHIBITED.—

11           “(A) IN GENERAL.—If a financial institu-  
12           tion or any director, officer, employee, or agent  
13           of any financial institution, voluntarily or pur-  
14           suant to this section or any other authority, re-  
15           ports a suspicious transaction to a government  
16           agency—

17           “(i) the financial institution, director,  
18           officer, employee, or agent may not notify  
19           any person involved in the transaction that  
20           the transaction has been reported; and

21           “(ii) no officer or employee of the  
22           Federal Government or of any State, local,  
23           tribal, or territorial government within the  
24           United States, who has any knowledge that  
25           such report was made may disclose to any

1 person involved in the transaction that the  
2 transaction has been reported, other than  
3 as necessary to fulfill the official duties of  
4 such officer or employee.

5 “(B) DISCLOSURES IN CERTAIN EMPLOY-  
6 MENT REFERENCES.—

7 “(i) RULE OF CONSTRUCTION.—Not-  
8 withstanding the application of subpara-  
9 graph (A) in any other context, subpara-  
10 graph (A) shall not be construed as prohib-  
11 iting any financial institution, or any direc-  
12 tor, officer, employee, or agent of such in-  
13 stitution, from including information that  
14 was included in a report to which subpara-  
15 graph (A) applies—

16 “(I) in a written employment ref-  
17 erence that is provided in accordance  
18 with section 18(w) of the Federal De-  
19 posit Insurance Act in response to a  
20 request from another financial institu-  
21 tion; or

22 “(II) in a written termination no-  
23 tice or employment reference that is  
24 provided in accordance with the rules  
25 of a self-regulatory organization reg-

1                   istered with the Securities and Ex-  
2                   change Commission or the Commodity  
3                   Futures Trading Commission,  
4                   except that such written reference or notice  
5                   may not disclose that such information was  
6                   also included in any such report, or that  
7                   such report was made.

8                   “(ii) INFORMATION NOT REQUIRED.—  
9                   Clause (i) shall not be construed, by itself,  
10                  to create any affirmative duty to include  
11                  any information described in clause (i) in  
12                  any employment reference or termination  
13                  notice referred to in clause (i).”.

14 **SEC. 352. ANTI-MONEY LAUNDERING PROGRAMS.**

15           (a) IN GENERAL.—Section 5318(h) of title 31,  
16 United States Code, is amended to read as follows:

17           “(h) ANTI-MONEY LAUNDERING PROGRAMS.—

18                   “(1) IN GENERAL.—In order to guard against  
19                   money laundering through financial institutions,  
20                   each financial institution shall establish anti-money  
21                   laundering programs, including, at a minimum—

22                           “(A) the development of internal policies,  
23                           procedures, and controls;

24                           “(B) the designation of a compliance offi-  
25                           cer;

1           “(C) an ongoing employee training pro-  
2           gram; and

3           “(D) an independent audit function to test  
4           programs.

5           “(2) REGULATIONS.—The Secretary of the  
6           Treasury, after consultation with the appropriate  
7           Federal functional regulator (as defined in section  
8           509 of the Gramm-Leach-Bliley Act), may prescribe  
9           minimum standards for programs established under  
10          paragraph (1), and may exempt from the application  
11          of those standards any financial institution that is  
12          not subject to the provisions of the rules contained  
13          in part 103 of title 31, of the Code of Federal Regu-  
14          lations, or any successor rule thereto, for so long as  
15          such financial institution is not subject to the provi-  
16          sions of such rules.”.

17          (b) EFFECTIVE DATE.—The amendment made by  
18          subsection (a) shall take effect at the end of the 180-day  
19          period beginning on the date of enactment of this Act.

20          (c) DATE OF APPLICATION OF REGULATIONS; FAC-  
21          TORS TO BE TAKEN INTO ACCOUNT.—Before the end of  
22          the 180-day period beginning on the date of enactment  
23          of this Act, the Secretary shall prescribe regulations that  
24          consider the extent to which the requirements imposed  
25          under this section are commensurate with the size, loca-

1 tion, and activities of the financial institutions to which  
2 such regulations apply.

3 **SEC. 353. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC**  
4 **TARGETING ORDERS AND CERTAIN RECORD-**  
5 **KEEPING REQUIREMENTS, AND LENGTH-**  
6 **ENING EFFECTIVE PERIOD OF GEOGRAPHIC**  
7 **TARGETING ORDERS.**

8 (a) CIVIL PENALTY FOR VIOLATION OF TARGETING  
9 ORDER.—Section 5321(a)(1) of title 31, United States  
10 Code, is amended—

11 (1) by inserting “or order issued” after “sub-  
12 chapter or a regulation prescribed”; and

13 (2) by inserting “, or willfully violating a regu-  
14 lation prescribed under section 21 of the Federal  
15 Deposit Insurance Act or section 123 of Public Law  
16 91–508,” after “sections 5314 and 5315”).

17 (b) CRIMINAL PENALTIES FOR VIOLATION OF TAR-  
18 GETING ORDER.—Section 5322 of title 31, United States  
19 Code, is amended—

20 (1) in subsection (a)—

21 (A) by inserting “or order issued” after  
22 “willfully violating this subchapter or a regula-  
23 tion prescribed”; and

24 (B) by inserting “, or willfully violating a  
25 regulation prescribed under section 21 of the

1 Federal Deposit Insurance Act or section 123  
2 of Public Law 91–508,” after “under section  
3 5315 or 5324”); and

4 (2) in subsection (b)—

5 (A) by inserting “or order issued” after  
6 “willfully violating this subchapter or a regula-  
7 tion prescribed”; and

8 (B) by inserting “or willfully violating a  
9 regulation prescribed under section 21 of the  
10 Federal Deposit Insurance Act or section 123  
11 of Public Law 91–508,” after “under section  
12 5315 or 5324),”.

13 (c) STRUCTURING TRANSACTIONS TO EVADE TAR-  
14 GETING ORDER OR CERTAIN RECORDKEEPING REQUIRE-  
15 MENTS.—Section 5324(a) of title 31, United States Code,  
16 is amended—

17 (1) by inserting a comma after “shall”;

18 (2) by striking “section—” and inserting “sec-  
19 tion, the reporting or recordkeeping requirements  
20 imposed by any order issued under section 5326, or  
21 the recordkeeping requirements imposed by any reg-  
22 ulation prescribed under section 21 of the Federal  
23 Deposit Insurance Act or section 123 of Public Law  
24 91–508—”;

1           (3) in paragraph (1), by inserting “, to file a  
2           report or to maintain a record required by an order  
3           issued under section 5326, or to maintain a record  
4           required pursuant to any regulation prescribed  
5           under section 21 of the Federal Deposit Insurance  
6           Act or section 123 of Public Law 91–508” after  
7           “regulation prescribed under any such section”; and

8           (4) in paragraph (2), by inserting “, to file a  
9           report or to maintain a record required by any order  
10          issued under section 5326, or to maintain a record  
11          required pursuant to any regulation prescribed  
12          under section 5326, or to maintain a record required  
13          pursuant to any regulation prescribed under section  
14          21 of the Federal Deposit Insurance Act or section  
15          123 of Public Law 91–508,” after “regulation pre-  
16          scribed under any such section”.

17          (d) LENGTHENING EFFECTIVE PERIOD OF GEO-  
18          GRAPHIC TARGETING ORDERS.—Section 5326(d) of title  
19          31, United States Code, is amended by striking “more  
20          than 60” and inserting “more than 180”.

21          **SEC. 354. ANTI-MONEY LAUNDERING STRATEGY.**

22          Section 5341(b) of title 31, United States Code, is  
23          amended by adding at the end the following:

24                  “(12) DATA REGARDING FUNDING OF TER-  
25          RORISM.—Data concerning money laundering efforts

1 related to the funding of acts of international ter-  
2 rorism, and efforts directed at the prevention, detec-  
3 tion, and prosecution of such funding.”.

4 **SEC. 355. AUTHORIZATION TO INCLUDE SUSPICIONS OF IL-**  
5 **LEGAL ACTIVITY IN WRITTEN EMPLOYMENT**  
6 **REFERENCES.**

7 Section 18 of the Federal Deposit Insurance Act (12  
8 U.S.C. 1828) is amended by adding at the end the fol-  
9 lowing:

10 “(w) WRITTEN EMPLOYMENT REFERENCES MAY  
11 CONTAIN SUSPICIONS OF INVOLVEMENT IN ILLEGAL AC-  
12 TIVITY.—

13 “(1) AUTHORITY TO DISCLOSE INFORMA-  
14 TION.—Notwithstanding any other provision of law,  
15 any insured depository institution, and any director,  
16 officer, employee, or agent of such institution, may  
17 disclose in any written employment reference relat-  
18 ing to a current or former institution-affiliated party  
19 of such institution which is provided to another in-  
20 sured depository institution in response to a request  
21 from such other institution, information concerning  
22 the possible involvement of such institution-affiliated  
23 party in potentially unlawful activity.

24 “(2) INFORMATION NOT REQUIRED.—Nothing  
25 in paragraph (1) shall be construed, by itself, to cre-



1       ate any affirmative duty to include any information  
2       described in paragraph (1) in any employment ref-  
3       erence referred to in paragraph (1).

4           “(3) MALICIOUS INTENT.—Notwithstanding  
5       any other provision of this subsection, voluntary dis-  
6       closure made by an insured depository institution,  
7       and any director, officer, employee, or agent of such  
8       institution under this subsection concerning poten-  
9       tially unlawful activity that is made with malicious  
10      intent, shall not be shielded from liability from the  
11      person identified in the disclosure.

12          “(4) DEFINITION.—For purposes of this sub-  
13      section, the term ‘insured depository institution’ in-  
14      cludes any uninsured branch or agency of a foreign  
15      bank.”.

16 **SEC. 356. REPORTING OF SUSPICIOUS ACTIVITIES BY SECU-**  
17 **RITIES BROKERS AND DEALERS; INVEST-**  
18 **MENT COMPANY STUDY.**

19      (a) DEADLINE FOR SUSPICIOUS ACTIVITY REPORT-  
20      ING REQUIREMENTS FOR REGISTERED BROKERS AND  
21      DEALERS.—The Secretary, after consultation with the Se-  
22      curities and Exchange Commission and the Board of Gov-  
23      ernors of the Federal Reserve System, shall publish pro-  
24      posed regulations in the Federal Register before January  
25      1, 2002, requiring brokers and dealers registered with the

1 Securities and Exchange Commission under the Securities  
2 Exchange Act of 1934 to submit suspicious activity re-  
3 ports under section 5318(g) of title 31, United States  
4 Code. Such regulations shall be published in final form  
5 not later than July 1, 2002.

6 (b) SUSPICIOUS ACTIVITY REPORTING REQUIRE-  
7 MENTS FOR FUTURES COMMISSION MERCHANTS, COM-  
8 MODITY TRADING ADVISORS, AND COMMODITY POOL OP-  
9 ERATORS.—The Secretary, in consultation with the Com-  
10 modity Futures Trading Commission, may prescribe regu-  
11 lations requiring futures commission merchants, com-  
12 modity trading advisors, and commodity pool operators  
13 registered under the Commodity Exchange Act to submit  
14 suspicious activity reports under section 5318(g) of title  
15 31, United States Code.

16 (c) REPORT ON INVESTMENT COMPANIES.—

17 (1) IN GENERAL.—Not later than 1 year after  
18 the date of enactment of this Act, the Secretary, the  
19 Board of Governors of the Federal Reserve System,  
20 and the Securities and Exchange Commission shall  
21 jointly submit a report to the Congress on rec-  
22 ommendations for effective regulations to apply the  
23 requirements of subchapter II of chapter 53 of title  
24 31, United States Code, to investment companies

1 pursuant to section 5312(a)(2)(I) of title 31, United  
2 States Code.

3 (2) DEFINITION.—For purposes of this sub-  
4 section, the term “investment company”—

5 (A) has the same meaning as in section 3  
6 of the Investment Company Act of 1940 (15  
7 U.S.C. 80a–3); and

8 (B) includes any person that, but for the  
9 exceptions provided for in paragraph (1) or (7)  
10 of section 3(c) of the Investment Company Act  
11 of 1940 (15 U.S.C. 80a–3(e)), would be an in-  
12 vestment company.

13 (3) ADDITIONAL RECOMMENDATIONS.—The re-  
14 port required by paragraph (1) may make different  
15 recommendations for different types of entities cov-  
16 ered by this subsection.

17 (4) BENEFICIAL OWNERSHIP OF PERSONAL  
18 HOLDING COMPANIES.—The report described in  
19 paragraph (1) shall also include recommendations as  
20 to whether the Secretary should promulgate regula-  
21 tions to treat any corporation or business or other  
22 grantor trust whose assets are predominantly securi-  
23 ties, bank certificates of deposit, or other securities  
24 or investment instruments (other than such as relate  
25 to operating subsidiaries of such corporation or

1 trust) and that has 5 or fewer common shareholders  
2 or holders of beneficial or other equity interest, as  
3 a financial institution within the meaning of that  
4 phrase in section 5312(a)(2)(I) and whether to re-  
5 quire such corporations or trusts to disclose their  
6 beneficial owners when opening accounts or initi-  
7 ating funds transfers at any domestic financial insti-  
8 tution.

9 **SEC. 357. SPECIAL REPORT ON ADMINISTRATION OF BANK**  
10 **SECRECY PROVISIONS.**

11 (a) REPORT REQUIRED.—Not later than 6 months  
12 after the date of enactment of this Act, the Secretary shall  
13 submit a report to the Congress relating to the role of  
14 the Internal Revenue Service in the administration of sub-  
15 chapter II of chapter 53 of title 31, United States Code  
16 (commonly known as the “Bank Secrecy Act”).

17 (b) CONTENTS.—The report required by subsection  
18 (a)—

19 (1) shall specifically address, and contain rec-  
20 ommendations concerning—

21 (A) whether it is advisable to shift the  
22 processing of information reporting to the De-  
23 partment of the Treasury under the Bank Se-  
24 crecy Act provisions to facilities other than

1           those managed by the Internal Revenue Service;  
2           and

3                   (B) whether it remains reasonable and effi-  
4           cient, in light of the objective of both anti-  
5           money-laundering programs and Federal tax  
6           administration, for the Internal Revenue Serv-  
7           ice to retain authority and responsibility for  
8           audit and examination of the compliance of  
9           money services businesses and gaming institu-  
10          tions with those Bank Secrecy Act provisions;  
11          and

12           (2) shall, if the Secretary determines that the  
13          information processing responsibility or the audit  
14          and examination responsibility of the Internal Rev-  
15          enue Service, or both, with respect to those Bank  
16          Secrecy Act provisions should be transferred to other  
17          agencies, include the specific recommendations of  
18          the Secretary regarding the agency or agencies to  
19          which any such function should be transferred, com-  
20          plete with a budgetary and resources plan for expe-  
21          ditiously accomplishing the transfer.

1 **SEC. 358. BANK SECRECY PROVISIONS AND ACTIVITIES OF**  
2 **UNITED STATES INTELLIGENCE AGENCIES**  
3 **TO FIGHT INTERNATIONAL TERRORISM.**

4 (a) AMENDMENT RELATING TO THE PURPOSES OF  
5 CHAPTER 53 OF TITLE 31, UNITED STATES CODE.—Sec-  
6 tion 5311 of title 31, United States Code, is amended by  
7 inserting before the period at the end the following: “, or  
8 in the conduct of intelligence or counterintelligence activi-  
9 ties, including analysis, to protect against international  
10 terrorism”.

11 (b) AMENDMENT RELATING TO REPORTING OF SUS-  
12 PICIOUS ACTIVITIES.—Section 5318(g)(4)(B) of title 31,  
13 United States Code, is amended by striking “or super-  
14 visory agency” and inserting “, supervisory agency, or  
15 United States intelligence agency for use in the conduct  
16 of intelligence or counterintelligence activities, including  
17 analysis, to protect against international terrorism”.

18 (c) AMENDMENT RELATING TO AVAILABILITY OF  
19 REPORTS.—Section 5319 of title 31, United States Code,  
20 is amended to read as follows:

21 **“§ 5319. Availability of reports**

22 “The Secretary of the Treasury shall make informa-  
23 tion in a report filed under this subchapter available to  
24 an agency, including any State financial institutions su-  
25 pervisory agency, United States intelligence agency or self-  
26 regulatory organization registered with the Securities and

1 Exchange Commission or the Commodity Futures Trading  
2 Commission, upon request of the head of the agency or  
3 organization. The report shall be available for a purpose  
4 that is consistent with this subchapter. The Secretary may  
5 only require reports on the use of such information by any  
6 State financial institutions supervisory agency for other  
7 than supervisory purposes or by United States intelligence  
8 agencies. However, a report and records of reports are ex-  
9 empt from disclosure under section 552 of title 5.”.

10 (d) AMENDMENT RELATING TO THE PURPOSES OF  
11 THE BANK SECRECY ACT PROVISIONS.—Section 21(a) of  
12 the Federal Deposit Insurance Act (12 U.S.C. 1829b(a))  
13 is amended to read as follows:

14 “(a) CONGRESSIONAL FINDINGS AND DECLARATION  
15 OF PURPOSE.—

16 “(1) FINDINGS.—Congress finds that—

17 “(A) adequate records maintained by in-  
18 sured depository institutions have a high degree  
19 of usefulness in criminal, tax, and regulatory  
20 investigations or proceedings, and that, given  
21 the threat posed to the security of the Nation  
22 on and after the terrorist attacks against the  
23 United States on September 11, 2001, such  
24 records may also have a high degree of useful-  
25 ness in the conduct of intelligence or counter-

1 intelligence activities, including analysis, to pro-  
2 tect against domestic and international ter-  
3 rorism; and

4 “(B) microfilm or other reproductions and  
5 other records made by insured depository insti-  
6 tutions of checks, as well as records kept by  
7 such institutions, of the identity of persons  
8 maintaining or authorized to act with respect to  
9 accounts therein, have been of particular value  
10 in proceedings described in subparagraph (A).

11 “(2) PURPOSE.—It is the purpose of this sec-  
12 tion to require the maintenance of appropriate types  
13 of records by insured depository institutions in the  
14 United States where such records have a high degree  
15 of usefulness in criminal, tax, or regulatory inves-  
16 tigation or proceedings, recognizes that, given the  
17 threat posed to the security of the Nation on and  
18 after the terrorist attacks against the United States  
19 on September 11, 2001, such records may also have  
20 a high degree of usefulness in the conduct of intel-  
21 ligence or counterintelligence activities, including  
22 analysis, to protect against international terrorism.”.

23 (e) AMENDMENT RELATING TO THE PURPOSES OF  
24 THE BANK SECRECY ACT.—Section 123(a) of Public Law



1 91–508 (12 U.S.C. 1953(a)) is amended to read as fol-  
2 lows:

3       “(a) REGULATIONS.—If the Secretary determines  
4 that the maintenance of appropriate records and proce-  
5 dures by any uninsured bank or uninsured institution, or  
6 any person engaging in the business of carrying on in the  
7 United States any of the functions referred to in sub-  
8 section (b), has a high degree of usefulness in criminal,  
9 tax, or regulatory investigations or proceedings, and that,  
10 given the threat posed to the security of the Nation on  
11 and after the terrorist attacks against the United States  
12 on September 11, 2001, such records may also have a high  
13 degree of usefulness in the conduct of intelligence or coun-  
14 terintelligence activities, including analysis, to protect  
15 against international terrorism, he may by regulation re-  
16 quire such bank, institution, or person.”.

17       (f) AMENDMENTS TO THE RIGHT TO FINANCIAL PRI-  
18 VACY ACT.—The Right to Financial Privacy Act of 1978  
19 is amended—

20               (1) in section 1112(a) (12 U.S.C. 3412(a)), by  
21 inserting “, or intelligence or counterintelligence ac-  
22 tivity, investigation or analysis related to inter-  
23 national terrorism” after “legitimate law enforce-  
24 ment inquiry”;

1           (2) in section 1114(a)(1) (12 U.S.C.  
2 3414(a)(1))—

3           (A) in subparagraph (A), by striking “or”  
4 at the end;

5           (B) in subparagraph (B), by striking the  
6 period at the end and inserting “; or”; and

7           (C) by adding at the end the following:

8           “(C) a Government authority authorized to  
9 conduct investigations of, or intelligence or  
10 counterintelligence analyses related to, inter-  
11 national terrorism for the purpose of con-  
12 ducting such investigations or analyses.”; and

13          (3) in section 1120(a)(2) (12 U.S.C.  
14 3420(a)(2)), by inserting “, or for a purpose author-  
15 ized by section 1112(a)” before the semicolon at the  
16 end.

17          (g) AMENDMENT TO THE FAIR CREDIT REPORTING  
18 ACT.—

19          (1) IN GENERAL.—The Fair Credit Reporting  
20 Act (15 U.S.C. 1681 et seq.) is amended—

21           (A) by redesignating the second of the 2  
22 sections designated as section 624 (15 U.S.C.  
23 1681u) (relating to disclosure to FBI for coun-  
24 terintelligence purposes) as section 625; and

1 (B) by adding at the end the following new  
2 section:

3 **“§ 626. Disclosures to governmental agencies for**  
4 **counterterrorism purposes**

5 “(a) DISCLOSURE.—Notwithstanding section 604 or  
6 any other provision of this title, a consumer reporting  
7 agency shall furnish a consumer report of a consumer and  
8 all other information in a consumer’s file to a government  
9 agency authorized to conduct investigations of, or intel-  
10 ligence or counterintelligence activities or analysis related  
11 to, international terrorism when presented with a written  
12 certification by such government agency that such infor-  
13 mation is necessary for the agency’s conduct or such inves-  
14 tigation, activity or analysis.

15 “(b) FORM OF CERTIFICATION.—The certification  
16 described in subsection (a) shall be signed by a supervisory  
17 official designated by the head of a Federal agency or an  
18 officer of a Federal agency whose appointment to office  
19 is required to be made by the President, by and with the  
20 advice and consent of the Senate.

21 “(c) CONFIDENTIALITY.—No consumer reporting  
22 agency, or officer, employee, or agent of such consumer  
23 reporting agency, shall disclose to any person, or specify  
24 in any consumer report, that a government agency has

1 sought or obtained access to information under subsection  
2 (a).

3 “(d) **RULE OF CONSTRUCTION.**—Nothing in section  
4 625 shall be construed to limit the authority of the Direc-  
5 tor of the Federal Bureau of Investigation under this sec-  
6 tion.

7 “(e) **SAFE HARBOR.**—Notwithstanding any other  
8 provision of this title, any consumer reporting agency or  
9 agent or employee thereof making disclosure of consumer  
10 reports or other information pursuant to this section in  
11 good-faith reliance upon a certification of a governmental  
12 agency pursuant to the provisions of this section shall not  
13 be liable to any person for such disclosure under this sub-  
14 chapter, the constitution of any State, or any law or regu-  
15 lation of any State or any political subdivision of any  
16 State.”.

17 (2) **CLERICAL AMENDMENTS.**—The table of sec-  
18 tions for the Fair Credit Reporting Act (15 U.S.C.  
19 1681 et seq.) is amended—

20 (A) by redesignating the second of the 2  
21 items designated as section 624 as section 625;  
22 and

23 (B) by inserting after the item relating to  
24 section 625 (as so redesignated) the following  
25 new item:

“626. Disclosures to governmental agencies for counterterrorism purposes.”.

1 (h) APPLICATION OF AMENDMENTS.—The amend-  
2 ments made by this section shall apply with respect to re-  
3 ports filed or records maintained on, before, or after the  
4 date of enactment of this Act.

5 **SEC. 359. REPORTING OF SUSPICIOUS ACTIVITIES BY UN-**  
6 **DERGROUND BANKING SYSTEMS.**

7 (a) DEFINITION FOR SUBCHAPTER.—Section  
8 5312(a)(2)(R) of title 31, United States Code, is amended  
9 to read as follows:

10 “(R) a licensed sender of money or any  
11 other person who engages as a business in the  
12 transmission of funds, including any person  
13 who engages as a business in an informal  
14 money transfer system or any network of people  
15 who engage as a business in facilitating the  
16 transfer of money domestically or internation-  
17 ally outside of the conventional financial institu-  
18 tions system;”.

19 (b) MONEY TRANSMITTING BUSINESS.—Section  
20 5330(d)(1)(A) of title 31, United States Code, is amended  
21 by inserting before the semicolon the following: “or any  
22 other person who engages as a business in the trans-  
23 mission of funds, including any person who engages as a  
24 business in an informal money transfer system or any net-  
25 work of people who engage as a business in facilitating

1 the transfer of money domestically or internationally out-  
2 side of the conventional financial institutions system;”.

3 (c) APPLICABILITY OF RULES.—Section 5318 of title  
4 31, United States Code, as amended by this title, is  
5 amended by adding at the end the following:

6 “(l) APPLICABILITY OF RULES.—Any rules promul-  
7 gated pursuant to the authority contained in section 21  
8 of the Federal Deposit Insurance Act (12 U.S.C. 1829b)  
9 shall apply, in addition to any other financial institution  
10 to which such rules apply, to any person that engages as  
11 a business in the transmission of funds, including any per-  
12 son who engages as a business in an informal money  
13 transfer system or any network of people who engage as  
14 a business in facilitating the transfer of money domesti-  
15 cally or internationally outside of the conventional finan-  
16 cial institutions system.”.

17 (d) REPORT.—Not later than 1 year after the date  
18 of enactment of this Act, the Secretary of the Treasury  
19 shall report to Congress on the need for any additional  
20 legislation relating to persons who engage as a business  
21 in an informal money transfer system or any network of  
22 people who engage as a business in facilitating the trans-  
23 fer of money domestically or internationally outside of the  
24 conventional financial institutions system, counter money  
25 laundering and regulatory controls relating to under-

1 ground money movement and banking systems, including  
2 whether the threshold for the filing of suspicious activity  
3 reports under section 5318(g) of title 31, United States  
4 Code should be lowered in the case of such systems.

5 **SEC. 360. USE OF AUTHORITY OF UNITED STATES EXECU-**  
6 **TIVE DIRECTORS.**

7 (a) ACTION BY THE PRESIDENT.—If the President  
8 determines that a particular foreign country has taken or  
9 has committed to take actions that contribute to efforts  
10 of the United States to respond to, deter, or prevent acts  
11 of international terrorism, the Secretary may, consistent  
12 with other applicable provisions of law, instruct the United  
13 States Executive Director of each international financial  
14 institution to use the voice and vote of the Executive Di-  
15 rector to support any loan or other utilization of the funds  
16 of respective institutions for such country, or any public  
17 or private entity within such country.

18 (b) USE OF VOICE AND VOTE.—The Secretary may  
19 instruct the United States Executive Director of each  
20 international financial institution to aggressively use the  
21 voice and vote of the Executive Director to require an au-  
22 diting of disbursements at such institutions to ensure that  
23 no funds are paid to persons who commit, threaten to  
24 commit, or support terrorism.

1 (c) DEFINITION.—For purposes of this section, the  
2 term “international financial institution” means an insti-  
3 tution described in section 1701(c)(2) of the International  
4 Financial Institutions Act (22 U.S.C. 262r(c)(2)).

5 **SEC. 361. FINANCIAL CRIMES ENFORCEMENT NETWORK.**

6 (a) IN GENERAL.—Subchapter I of chapter 3 of title  
7 31, United States Code, is amended—

8 (1) by redesignating section 310 as section 311;  
9 and

10 (2) by inserting after section 309 the following  
11 new section:

12 **“§ 310. Financial Crimes Enforcement Network**

13 “(a) IN GENERAL.—The Financial Crimes Enforce-  
14 ment Network established by order of the Secretary of the  
15 Treasury (Treasury Order Numbered 105-08, in this sec-  
16 tion referred to as ‘FinCEN’) on April 25, 1990, shall be  
17 a bureau in the Department of the Treasury.

18 “(b) DIRECTOR.—

19 “(1) APPOINTMENT.—The head of FinCEN  
20 shall be the Director, who shall be appointed by the  
21 Secretary of the Treasury.

22 “(2) DUTIES AND POWERS.—The duties and  
23 powers of the Director are as follows:

24 “(A) Advise and make recommendations  
25 on matters relating to financial intelligence, fi-



1           nancial criminal activities, and other financial  
2           activities to the Under Secretary of the Treas-  
3           ury for Enforcement.

4           “(B) Maintain a government-wide data ac-  
5           cess service, with access, in accordance with ap-  
6           plicable legal requirements, to the following:

7                   “(i) Information collected by the De-  
8                   partment of the Treasury, including report  
9                   information filed under subchapter II of  
10                  chapter 53 of this title (such as reports on  
11                  cash transactions, foreign financial agency  
12                  transactions and relationships, foreign cur-  
13                  rency transactions, exporting and import-  
14                  ing monetary instruments, and suspicious  
15                  activities), chapter 2 of title I of Public  
16                  Law 91–508, and section 21 of the Fed-  
17                  eral Deposit Insurance Act.

18                  “(ii) Information regarding national  
19                  and international currency flows.

20                  “(iii) Other records and data main-  
21                  tained by other Federal, State, local, and  
22                  foreign agencies, including financial and  
23                  other records developed in specific cases.

24                  “(iv) Other privately and publicly  
25                  available information.

1           “(C) Analyze and disseminate the available  
2 data in accordance with applicable legal require-  
3 ments and policies and guidelines established by  
4 the Secretary of the Treasury and the Under  
5 Secretary of the Treasury for Enforcement to—

6           “(i) identify possible criminal activity  
7 to appropriate Federal, State, local, and  
8 foreign law enforcement agencies;

9           “(ii) support ongoing criminal finan-  
10 cial investigations and prosecutions and re-  
11 lated proceedings, including civil and crimi-  
12 nal tax and forfeiture proceedings;

13           “(iii) identify possible instances of  
14 noncompliance with subchapter II of chap-  
15 ter 53 of this title, chapter 2 of title I of  
16 Public Law 91–508, and section 21 of the  
17 Federal Deposit Insurance Act to Federal  
18 agencies with statutory responsibility for  
19 enforcing compliance with such provisions  
20 and other appropriate Federal regulatory  
21 agencies;

22           “(iv) evaluate and recommend possible  
23 uses of special currency reporting require-  
24 ments under section 5326;

1           “(v) determine emerging trends and  
2           methods in money laundering and other fi-  
3           nancial crimes;

4           “(vi) support the conduct of intel-  
5           ligence or counterintelligence activities, in-  
6           cluding analysis, to protect against inter-  
7           national terrorism; and

8           “(vii) support government initiatives  
9           against money laundering.

10          “(D) Establish and maintain a financial  
11          crimes communications center to furnish law  
12          enforcement authorities with intelligence infor-  
13          mation related to emerging or ongoing inves-  
14          tigations and undercover operations.

15          “(E) Furnish research, analytical, and in-  
16          formational services to financial institutions,  
17          appropriate Federal regulatory agencies with  
18          regard to financial institutions, and appropriate  
19          Federal, State, local, and foreign law enforce-  
20          ment authorities, in accordance with policies  
21          and guidelines established by the Secretary of  
22          the Treasury or the Under Secretary of the  
23          Treasury for Enforcement, in the interest of de-  
24          tection, prevention, and prosecution of ter-

1           rorism, organized crime, money laundering, and  
2           other financial crimes.

3           “(F) Assist Federal, State, local, and for-  
4           eign law enforcement and regulatory authorities  
5           in combatting the use of informal, nonbank net-  
6           works and payment and barter system mecha-  
7           nisms that permit the transfer of funds or the  
8           equivalent of funds without records and without  
9           compliance with criminal and tax laws.

10          “(G) Provide computer and data support  
11          and data analysis to the Secretary of the Treas-  
12          ury for tracking and controlling foreign assets.

13          “(H) Coordinate with financial intelligence  
14          units in other countries on anti-terrorism and  
15          anti-money laundering initiatives, and similar  
16          efforts.

17          “(I) Administer the requirements of sub-  
18          chapter II of chapter 53 of this title, chapter 2  
19          of title I of Public Law 91–508, and section 21  
20          of the Federal Deposit Insurance Act, to the ex-  
21          tent delegated such authority by the Secretary  
22          of the Treasury.

23          “(J) Such other duties and powers as the  
24          Secretary of the Treasury may delegate or pre-  
25          scribe.

1       “(c) REQUIREMENTS RELATING TO MAINTENANCE  
2 AND USE OF DATA BANKS.—The Secretary of the Treas-  
3 ury shall establish and maintain operating procedures with  
4 respect to the government-wide data access service and the  
5 financial crimes communications center maintained by  
6 FinCEN which provide—

7           “(1) for the coordinated and efficient trans-  
8 mittal of information to, entry of information into,  
9 and withdrawal of information from, the data main-  
10 tenance system maintained by the Network,  
11 including—

12           “(A) the submission of reports through the  
13 Internet or other secure network, whenever pos-  
14 sible;

15           “(B) the cataloguing of information in a  
16 manner that facilitates rapid retrieval by law  
17 enforcement personnel of meaningful data; and

18           “(C) a procedure that provides for a  
19 prompt initial review of suspicious activity re-  
20 ports and other reports, or such other means as  
21 the Secretary may provide, to identify informa-  
22 tion that warrants immediate action; and

23           “(2) in accordance with section 552a of title 5  
24 and the Right to Financial Privacy Act of 1978, ap-

1       appropriate standards and guidelines for  
2       determining—

3               “(A) who is to be given access to the infor-  
4               mation maintained by the Network;

5               “(B) what limits are to be imposed on the  
6               use of such information; and

7               “(C) how information about activities or  
8               relationships which involve or are closely associ-  
9               ated with the exercise of constitutional rights is  
10              to be screened out of the data maintenance sys-  
11              tem.

12       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
13       are authorized to be appropriated for FinCEN such sums  
14       as may be necessary for fiscal years 2002, 2003, 2004,  
15       and 2005.”.

16       (b) COMPLIANCE WITH REPORTING REQUIRE-  
17       MENTS.—The Secretary of the Treasury shall study meth-  
18       ods for improving compliance with the reporting require-  
19       ments established in section 5314 of title 31, United  
20       States Code, and shall submit a report on such study to  
21       the Congress by the end of the 6-month period beginning  
22       on the date of enactment of this Act and each 1-year pe-  
23       riod thereafter. The initial report shall include historical  
24       data on compliance with such reporting requirements.

1 (c) CLERICAL AMENDMENT.—The table of sections  
2 for subchapter I of chapter 3 of title 31, United States  
3 Code, is amended—

4 (1) by redesignating the item relating to section  
5 310 as section 311; and

6 (2) by inserting after the item relating to sec-  
7 tion 309 the following new item:

“310. Financial Crimes Enforcement Network.”.

8 **SEC. 362. ESTABLISHMENT OF HIGHLY SECURE NETWORK.**

9 (a) IN GENERAL.—The Secretary shall establish a  
10 highly secure network in the Financial Crimes Enforce-  
11 ment Network that—

12 (1) allows financial institutions to file reports  
13 required under subchapter II or III of chapter 53 of  
14 title 31, United States Code, chapter 2 of Public  
15 Law 91–508, or section 21 of the Federal Deposit  
16 Insurance Act through the secure network; and

17 (2) provides financial institutions with alerts  
18 and other information regarding suspicious activities  
19 that warrant immediate and enhanced scrutiny.

20 (b) EXPEDITED DEVELOPMENT.—The Secretary  
21 shall take such action as may be necessary to ensure that  
22 the secure network required under subsection (a) is fully  
23 operational before the end of the 9-month period begin-  
24 ning on the date of enactment of this Act.

1 **SEC. 363. INCREASE IN CIVIL AND CRIMINAL PENALTIES**  
2 **FOR MONEY LAUNDERING.**

3 (a) CIVIL PENALTIES.—Section 5321(a) of title 31,  
4 United States Code, is amended by adding at the end the  
5 following:

6 “(7) PENALTIES FOR INTERNATIONAL  
7 COUNTER MONEY LAUNDERING VIOLATIONS.—The  
8 Secretary may impose a civil money penalty in an  
9 amount equal to not less than 2 times the amount  
10 of the transaction, but not more than \$1,000,000,  
11 on any financial institution or agency that violates  
12 any provision of subsection (i) or (j) of section 5318  
13 or any special measures imposed under section  
14 5318A.”.

15 (b) CRIMINAL PENALTIES.—Section 5322 of title 31,  
16 United States Code, is amended by adding at the end the  
17 following:

18 “(d) A financial institution or agency that violates  
19 any provision of subsection (i) or (j) of section 5318, or  
20 any special measures imposed under section 5318A, or any  
21 regulation prescribed under subsection (i) or (j) of section  
22 5318 or section 5318A, shall be fined in an amount equal  
23 to not less than 2 times the amount of the transaction,  
24 but not more than \$1,000,000.”.



1 **SEC. 364. UNIFORM PROTECTION AUTHORITY FOR FED-**  
2 **ERAL RESERVE FACILITIES.**

3 Section 11 of the Federal Reserve Act (12 U.S.C.  
4 248) is amended by adding at the end the following:

5 “(q) UNIFORM PROTECTION AUTHORITY FOR FED-  
6 ERAL RESERVE FACILITIES.—

7 “(1) Notwithstanding any other provision of  
8 law, to authorize personnel to act as law enforce-  
9 ment officers to protect and safeguard the premises,  
10 grounds, property, personnel, including members of  
11 the Board, of the Board, or any Federal reserve  
12 bank, and operations conducted by or on behalf of  
13 the Board or a reserve bank.

14 “(2) The Board may, subject to the regulations  
15 prescribed under paragraph (5), delegate authority  
16 to a Federal reserve bank to authorize personnel to  
17 act as law enforcement officers to protect and safe-  
18 guard the bank’s premises, grounds, property, per-  
19 sonnel, and operations conducted by or on behalf of  
20 the bank.

21 “(3) Law enforcement officers designated or  
22 authorized by the Board or a reserve bank under  
23 paragraph (1) or (2) are authorized while on duty  
24 to carry firearms and make arrests without warrants  
25 for any offense against the United States committed  
26 in their presence, or for any felony cognizable under

1 the laws of the United States committed or being  
2 committed within the buildings and grounds of the  
3 Board or a reserve bank if they have reasonable  
4 grounds to believe that the person to be arrested has  
5 committed or is committing such a felony. Such offi-  
6 cers shall have access to law enforcement informa-  
7 tion that may be necessary for the protection of the  
8 property or personnel of the Board or a reserve  
9 bank.

10 “(4) For purposes of this subsection, the term  
11 ‘law enforcement officers’ means personnel who have  
12 successfully completed law enforcement training and  
13 are authorized to carry firearms and make arrests  
14 pursuant to this subsection.

15 “(5) The law enforcement authorities provided  
16 for in this subsection may be exercised only pursu-  
17 ant to regulations prescribed by the Board and ap-  
18 proved by the Attorney General.”.

19 **SEC. 365. REPORTS RELATING TO COINS AND CURRENCY**  
20 **RECEIVED IN NONFINANCIAL TRADE OR**  
21 **BUSINESS.**

22 (a) REPORTS REQUIRED.—Subchapter II of chapter  
23 53 of title 31, United States Code, is amended by adding  
24 at the end the following new section:

1 **“§ 5331. Reports relating to coins and currency re-**  
2 **ceived in nonfinancial trade or business**

3 “(a) COIN AND CURRENCY RECEIPTS OF MORE  
4 THAN \$10,000.—Any person—

5 “(1) who is engaged in a trade or business; and

6 “(2) who, in the course of such trade or busi-  
7 ness, receives more than \$10,000 in coins or cur-  
8 rency in 1 transaction (or 2 or more related trans-  
9 actions),

10 shall file a report described in subsection (b) with respect  
11 to such transaction (or related transactions) with the Fi-  
12 nancial Crimes Enforcement Network at such time and  
13 in such manner as the Secretary may, by regulation, pre-  
14 scribe.

15 “(b) FORM AND MANNER OF REPORTS.—A report is  
16 described in this subsection if such report—

17 “(1) is in such form as the Secretary may pre-  
18 scribe;

19 “(2) contains—

20 “(A) the name and address, and such  
21 other identification information as the Sec-  
22 retary may require, of the person from whom  
23 the coins or currency was received;

24 “(B) the amount of coins or currency re-  
25 ceived;

1           “(C) the date and nature of the trans-  
2           action; and

3           “(D) such other information, including the  
4           identification of the person filing the report, as  
5           the Secretary may prescribe.

6           “(c) EXCEPTIONS.—

7           “(1) AMOUNTS RECEIVED BY FINANCIAL INSTI-  
8           TUTIONS.—Subsection (a) shall not apply to  
9           amounts received in a transaction reported under  
10          section 5313 and regulations prescribed under such  
11          section.

12          “(2) TRANSACTIONS OCCURRING OUTSIDE THE  
13          UNITED STATES.—Except to the extent provided in  
14          regulations prescribed by the Secretary, subsection  
15          (a) shall not apply to any transaction if the entire  
16          transaction occurs outside the United States.

17          “(d) CURRENCY INCLUDES FOREIGN CURRENCY AND  
18          CERTAIN MONETARY INSTRUMENTS.—

19          “(1) IN GENERAL.—For purposes of this sec-  
20          tion, the term ‘currency’ includes—

21                  “(A) foreign currency; and

22                  “(B) to the extent provided in regulations  
23                  prescribed by the Secretary, any monetary in-  
24                  strument (whether or not in bearer form) with  
25                  a face amount of not more than \$10,000.

1           “(2) SCOPE OF APPLICATION.—Paragraph  
2           (1)(B) shall not apply to any check drawn on the ac-  
3           count of the writer in a financial institution referred  
4           to in subparagraph (A), (B), (C), (D), (E), (F), (G),  
5           (J), (K), (R), or (S) of section 5312(a)(2).”.

6           (b) PROHIBITION ON STRUCTURING TRANS-  
7           ACTIONS.—

8           (1) IN GENERAL.—Section 5324 of title 31,  
9           United States Code, is amended—

10                   (A) by redesignating subsections (b) and  
11                   (c) as subsections (e) and (d), respectively; and

12                   (B) by inserting after subsection (a) the  
13                   following new subsection:

14           “(b) DOMESTIC COIN AND CURRENCY TRANS-  
15           ACTIONS INVOLVING NONFINANCIAL TRADES OR BUSI-  
16           NESSES.—No person shall, for the purpose of evading the  
17           report requirements of section 5333 or any regulation pre-  
18           scribed under such section—

19                   “(1) cause or attempt to cause a nonfinancial  
20                   trade or business to fail to file a report required  
21                   under section 5333 or any regulation prescribed  
22                   under such section;

23                   “(2) cause or attempt to cause a nonfinancial  
24                   trade or business to file a report required under sec-  
25                   tion 5333 or any regulation prescribed under such

1 section that contains a material omission or  
2 misstatement of fact; or

3 “(3) structure or assist in structuring, or at-  
4 tempt to structure or assist in structuring, any  
5 transaction with 1 or more nonfinancial trades or  
6 businesses.’.

7 (2) TECHNICAL AND CONFORMING AMEND-  
8 MENTS.—

9 (A) The heading for subsection (a) of sec-  
10 tion 5324 of title 31, United States Code, is  
11 amended by inserting “INVOLVING FINANCIAL  
12 INSTITUTIONS” after “TRANSACTIONS’.

13 (B) Section 5317(c) of title 31, United  
14 States Code, is amended by striking “5324(b)”  
15 and inserting “5324(c)”.

16 (c) DEFINITION OF NONFINANCIAL TRADE OR BUSI-  
17 NESS.—

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

20 (A) by redesignating paragraphs (4) and  
21 (5) as paragraphs (5) and (6), respectively; and

22 (B) by inserting after paragraph (3) the  
23 following new paragraph:

24 “(4) NONFINANCIAL TRADE OR BUSINESS.—

25 The term ‘nonfinancial trade or business’ means any

1 trade or business other than a financial institution  
2 that is subject to the reporting requirements of sec-  
3 tion 5313 and regulations prescribed under such sec-  
4 tion.”.

5 (2) TECHNICAL AND CONFORMING AMEND-  
6 MENTS.—

7 (A) Section 5312(a)(3)(C) of title 31,  
8 United States Code, is amended by striking  
9 “section 5316,” and inserting “sections 5333  
10 and 5316,”.

11 (B) Subsections (a) through (f) of section  
12 5318 of title 31, United States Code, and sec-  
13 tions 5321, 5326, and 5328 of such title are  
14 each amended—

15 (i) by inserting “or nonfinancial trade  
16 or business” after “financial institution”  
17 each place such term appears; and

18 (ii) by inserting “or nonfinancial  
19 trades or businesses” after “financial insti-  
20 tutions” each place such term appears.

21 (c) CLERICAL AMENDMENT.—The table of sections  
22 for chapter 53 of title 31, United States Code, is amended  
23 by inserting after the item relating to section 5332 (as  
24 added by section 112 of this title) the following new item:

“5331. Reports relating to coins and currency received in nonfinancial trade or  
business.”.

1 (f) REGULATIONS.—Regulations which the Secretary  
2 determines are necessary to implement this section shall  
3 be published in final form before the end of the 6-month  
4 period beginning on the date of enactment of this Act.

5 **SEC. 366. EFFICIENT USE OF CURRENCY TRANSACTION RE-**  
6 **PORT SYSTEM.**

7 (a) FINDINGS.—The Congress finds the following:

8 (1) The Congress established the currency  
9 transaction reporting requirements in 1970 because  
10 the Congress found then that such reports have a  
11 high degree of usefulness in criminal, tax, and regu-  
12 latory investigations and proceedings and the useful-  
13 ness of such reports has only increased in the years  
14 since the requirements were established.

15 (2) In 1994, in response to reports and testi-  
16 mony that excess amounts of currency transaction  
17 reports were interfering with effective law enforce-  
18 ment, the Congress reformed the currency trans-  
19 action report exemption requirements to provide—

20 (A) mandatory exemptions for certain re-  
21 ports that had little usefulness for law enforce-  
22 ment, such as cash transfers between depository  
23 institutions and cash deposits from government  
24 agencies; and



1           (B) discretionary authority for the Sec-  
2           retary of the Treasury to provide exemptions,  
3           subject to criteria and guidelines established by  
4           the Secretary, for financial institutions with re-  
5           gard to regular business customers that main-  
6           tain accounts at an institution into which fre-  
7           quent cash deposits are made.

8           (3) Today there is evidence that some financial  
9           institutions are not utilizing the exemption system,  
10          or are filing reports even if there is an exemption in  
11          effect, with the result that the volume of currency  
12          transaction reports is once again interfering with ef-  
13          fective law enforcement.

14          (b) STUDY AND REPORT.—

15               (1) STUDY REQUIRED.—The Secretary shall  
16          conduct a study of—

17                       (A) the possible expansion of the statutory  
18                       exemption system in effect under section 5313  
19                       of title 31, United States Code; and

20                       (B) methods for improving financial insti-  
21                       tution utilization of the statutory exemption  
22                       provisions as a way of reducing the submission  
23                       of currency transaction reports that have little  
24                       or no value for law enforcement purposes, in-  
25                       cluding improvements in the systems in effect

1 at financial institutions for regular review of  
2 the exemption procedures used at the institu-  
3 tion and the training of personnel in its effec-  
4 tive use.

5 (2) REPORT REQUIRED.—The Secretary of the  
6 Treasury shall submit a report to the Congress be-  
7 fore the end of the 1-year period beginning on the  
8 date of enactment of this Act containing the findings  
9 and conclusions of the Secretary with regard to the  
10 study required under subsection (a), and such rec-  
11 ommendations for legislative or administrative action  
12 as the Secretary determines to be appropriate.

## 13 **Subtitle C—Currency Crimes and** 14 **Protection**

### 15 **SEC. 371. BULK CASH SMUGGLING INTO OR OUT OF THE** 16 **UNITED STATES.**

17 (a) FINDINGS.—The Congress finds the following:

18 (1) Effective enforcement of the currency re-  
19 porting requirements of subchapter II of chapter 53  
20 of title 31, United States Code, and the regulations  
21 prescribed under such subchapter, has forced drug  
22 dealers and other criminals engaged in cash-based  
23 businesses to avoid using traditional financial insti-  
24 tutions.

1           (2) In their effort to avoid using traditional fi-  
2           nancial institutions, drug dealers and other criminals  
3           are forced to move large quantities of currency in  
4           bulk form to and through the airports, border cross-  
5           ings, and other ports of entry where the currency  
6           can be smuggled out of the United States and placed  
7           in a foreign financial institution or sold on the black  
8           market.

9           (3) The transportation and smuggling of cash  
10          in bulk form may now be the most common form of  
11          money laundering, and the movement of large sums  
12          of cash is one of the most reliable warning signs of  
13          drug trafficking, terrorism, money laundering, rack-  
14          eteering, tax evasion and similar crimes.

15          (4) The intentional transportation into or out of  
16          the United States of large amounts of currency or  
17          monetary instruments, in a manner designed to cir-  
18          cumvent the mandatory reporting provisions of sub-  
19          chapter II of chapter 53 of title 31, United States  
20          Code,, is the equivalent of, and creates the same  
21          harm as, the smuggling of goods.

22          (5) The arrest and prosecution of bulk cash  
23          smugglers are important parts of law enforcement's  
24          effort to stop the laundering of criminal proceeds,  
25          but the couriers who attempt to smuggle the cash

1 out of the United States are typically low-level em-  
2 ployees of large criminal organizations, and thus are  
3 easily replaced. Accordingly, only the confiscation of  
4 the smuggled bulk cash can effectively break the  
5 cycle of criminal activity of which the laundering of  
6 the bulk cash is a critical part.

7 (6) The current penalties for violations of the  
8 currency reporting requirements are insufficient to  
9 provide a deterrent to the laundering of criminal  
10 proceeds. In particular, in cases where the only  
11 criminal violation under current law is a reporting  
12 offense, the law does not adequately provide for the  
13 confiscation of smuggled currency. In contrast, if the  
14 smuggling of bulk cash were itself an offense, the  
15 cash could be confiscated as the corpus delicti of the  
16 smuggling offense.

17 (b) PURPOSES.—The purposes of this section are—

18 (1) to make the act of smuggling bulk cash  
19 itself a criminal offense;

20 (2) to authorize forfeiture of any cash or instru-  
21 ments of the smuggling offense; and

22 (3) to emphasize the seriousness of the act of  
23 bulk cash smuggling.

24 (c) ENACTMENT OF BULK CASH SMUGGLING OF-  
25 FENSE.—Subchapter II of chapter 53 of title 31, United

1 States Code, is amended by adding at the end the fol-  
2 lowing:

3 **“§ 5332. Bulk cash smuggling into or out of the**  
4 **United States**

5 “(a) CRIMINAL OFFENSE.—

6 “(1) IN GENERAL.—Whoever, with the intent to  
7 evade a currency reporting requirement under sec-  
8 tion 5316, knowingly conceals more than \$10,000 in  
9 currency or other monetary instruments on the per-  
10 son of such individual or in any conveyance, article  
11 of luggage, merchandise, or other container, and  
12 transports or transfers or attempts to transport or  
13 transfer such currency or monetary instruments  
14 from a place within the United States to a place out-  
15 side of the United States, or from a place outside  
16 the United States to a place within the United  
17 States, shall be guilty of a currency smuggling of-  
18 fense and subject to punishment pursuant to sub-  
19 section (b).

20 “(2) CONCEALMENT ON PERSON.—For pur-  
21 poses of this section, the concealment of currency on  
22 the person of any individual includes concealment in  
23 any article of clothing worn by the individual or in  
24 any luggage, backpack, or other container worn or  
25 carried by such individual.

1 “(b) PENALTY.—

2 “(1) TERM OF IMPRISONMENT.—A person con-  
3 victed of a currency smuggling offense under sub-  
4 section (a), or a conspiracy to commit such offense,  
5 shall be imprisoned for not more than 5 years.

6 “(2) FORFEITURE.—In addition, the court, in  
7 imposing sentence under paragraph (1), shall order  
8 that the defendant forfeit to the United States, any  
9 property, real or personal, involved in the offense,  
10 and any property traceable to such property, subject  
11 to subsection (d) of this section.

12 “(3) PROCEDURE.—The seizure, restraint, and  
13 forfeiture of property under this section shall be gov-  
14 erned by section 413 of the Controlled Substances  
15 Act.

16 “(4) PERSONAL MONEY JUDGMENT.—If the  
17 property subject to forfeiture under paragraph (2) is  
18 unavailable, and the defendant has insufficient sub-  
19 stitute property that may be forfeited pursuant to  
20 section 413(p) of the Controlled Substances Act, the  
21 court shall enter a personal money judgment against  
22 the defendant for the amount that would be subject  
23 to forfeiture.

24 “(c) CIVIL FORFEITURE.—

1           “(1) IN GENERAL.—Any property involved in a  
2 violation of subsection (a), or a conspiracy to com-  
3 mit such violation, and any property traceable to  
4 such violation or conspiracy, may be seized and, sub-  
5 ject to subsection (d) of this section, forfeited to the  
6 United States.

7           “(2) PROCEDURE.—The seizure and forfeiture  
8 shall be governed by the procedures governing civil  
9 forfeitures in money laundering cases pursuant to  
10 section 981(a)(1)(A) of title 18, United States Code.

11           “(3) TREATMENT OF CERTAIN PROPERTY AS  
12 INVOLVED IN THE OFFENSE.—For purposes of this  
13 subsection and subsection (b), any currency or other  
14 monetary instrument that is concealed or intended  
15 to be concealed in violation of subsection (a) or a  
16 conspiracy to commit such violation, any article, con-  
17 tainer, or conveyance used, or intended to be used,  
18 to conceal or transport the currency or other mone-  
19 tary instrument, and any other property used, or in-  
20 tended to be used, to facilitate the offense, shall be  
21 considered property involved in the offense.”.

22           “(c) CLERICAL AMENDMENT.—The table of sections  
23 for subchapter II of chapter 53 of title 31, United States  
24 Code, is amended by inserting after the item relating to  
25 section 5331, as added by this Act, the following new item:

“5332. Bulk cash smuggling into or out of the United States.”.

1 **SEC. 372. FORFEITURE IN CURRENCY REPORTING CASES.**

2 (a) IN GENERAL.—Subsection (c) of section 5317 of  
3 title 31, United States Code, is amended to read as fol-  
4 lows:

5 “(c) FORFEITURE.—

6 “(1) CRIMINAL FORFEITURE.—

7 “(A) IN GENERAL.—The court in imposing  
8 sentence for any violation of section 5313,  
9 5316, or 5324 of this title, or any conspiracy to  
10 commit such violation, shall order the defendant  
11 to forfeit all property, real or personal, involved  
12 in the offense and any property traceable there-  
13 to.

14 “(B) PROCEDURE.—Forfeitures under this  
15 paragraph shall be governed by the procedures  
16 established in section 413 of the Controlled  
17 Substances Act.

18 “(2) CIVIL FORFEITURE.—Any property in-  
19 volved in a violation of section 5313, 5316, or 5324  
20 of this title, or any conspiracy to commit any such  
21 violation, and any property traceable to any such  
22 violation or conspiracy, may be seized and forfeited  
23 to the United States in accordance with the proce-  
24 dures governing civil forfeitures in money laundering  
25 cases pursuant to section 981(a)(1)(A) of title 18,  
26 United States Code.”.



1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 981(a)(1)(A) of title 18, United  
3 States Code, is amended—

4 (A) by striking “of section 5313(a) or  
5 5324(a) of title 31, or”; and

6 (B) by striking “However” and all that fol-  
7 lows through the end of the subparagraph.

8 (2) Section 982(a)(1) of title 18, United States  
9 Code, is amended—

10 (A) by striking “of section 5313(a), 5316,  
11 or 5324 of title 31, or”; and

12 (B) by striking “However” and all that fol-  
13 lows through the end of the paragraph.

14 **SEC. 373. ILLEGAL MONEY TRANSMITTING BUSINESSES.**

15 (a) **SCIENTER REQUIREMENT FOR SECTION 1960**  
16 **VIOLATION.**—Section 1960 of title 18, United States  
17 Code, is amended to read as follows:

18 **“§ 1960. Prohibition of unlicensed money transmit-**  
19 **ting businesses**

20 “(a) Whoever knowingly conducts, controls, manages,  
21 supervises, directs, or owns all or part of an unlicensed  
22 money transmitting business, shall be fined in accordance  
23 with this title or imprisoned not more than 5 years, or  
24 both.

25 “(b) As used in this section—

1           “(1) the term ‘unlicensed money transmitting  
2           business’ means a money transmitting business  
3           which affects interstate or foreign commerce in any  
4           manner or degree and—

5                   “(A) is operated without an appropriate  
6           money transmitting license in a State where  
7           such operation is punishable as a misdemeanor  
8           or a felony under State law, whether or not the  
9           defendant knew that the operation was required  
10          to be licensed or that the operation was so pun-  
11          ishable;

12                   “(B) fails to comply with the money trans-  
13          mitting business registration requirements  
14          under section 5330 of title 31, United States  
15          Code, or regulations prescribed under such sec-  
16          tion; or

17                   “(C) otherwise involves the transportation  
18          or transmission of funds that are known to the  
19          defendant to have been derived from a criminal  
20          offense or are intended to be used to be used  
21          to promote or support unlawful activity;

22           “(2) the term ‘money transmitting’ includes  
23          transferring funds on behalf of the public by any  
24          and all means including but not limited to transfers

1 within this country or to locations abroad by wire,  
2 check, draft, facsimile, or courier; and

3 “(3) the term ‘State’ means any State of the  
4 United States, the District of Columbia, the North-  
5 ern Mariana Islands, and any commonwealth, terri-  
6 tory, or possession of the United States.”.

7 (b) SEIZURE OF ILLEGALLY TRANSMITTED  
8 FUNDS.—Section 981(a)(1)(A) of title 18, United States  
9 Code, is amended by striking “or 1957” and inserting “,  
10 1957 or 1960”.

11 (c) CLERICAL AMENDMENT.—The table of sections  
12 for chapter 95 of title 18, United States Code, is amended  
13 in the item relating to section 1960 by striking “illegal”  
14 and inserting “unlicensed”.

15 **SEC. 374. COUNTERFEITING DOMESTIC CURRENCY AND OB-**  
16 **LIGATIONS.**

17 (a) COUNTERFEIT ACTS COMMITTED OUTSIDE THE  
18 UNITED STATES.—Section 470 of title 18, United States  
19 Code, is amended—

20 (1) in paragraph (2), by inserting “analog, dig-  
21 ital, or electronic image,” after “plate, stone,”; and

22 (2) by striking “shall be fined under this title,  
23 imprisoned not more than 20 years, or both” and in-  
24 serting “shall be punished as is provided for the like  
25 offense within the United States”.

1 (b) OBLIGATIONS OR SECURITIES OF THE UNITED  
2 STATES.—Section 471 of title 18, United States Code, is  
3 amended by striking “fifteen years” and inserting “20  
4 years”.

5 (c) UTTERING COUNTERFEIT OBLIGATIONS OR SE-  
6 CURITIES.—Section 472 of title 18, United States Code,  
7 is amended by striking “fifteen years” and inserting “20  
8 years”.

9 (d) DEALING IN COUNTERFEIT OBLIGATIONS OR SE-  
10 CURITIES.—Section 473 of title 18, United States Code,  
11 is amended by striking “ten years” and inserting “20  
12 years”.

13 (e) PLATES, STONES, OR ANALOG, DIGITAL, OR  
14 ELECTRONIC IMAGES FOR COUNTERFEITING OBLIGA-  
15 TIONS OR SECURITIES.—

16 (1) IN GENERAL.—Section 474(a) of title 18,  
17 United States Code, is amended by inserting after  
18 the second paragraph the following new paragraph:

19 “Whoever, with intent to defraud, makes, executes,  
20 acquires, scans, captures, records, receives, transmits, re-  
21 produces, sells, or has in such person’s control, custody,  
22 or possession, an analog, digital, or electronic image of  
23 any obligation or other security of the United States; or”.

24 (2) AMENDMENT TO DEFINITION.—Section  
25 474(b) of title 18, United States Code, is amended

1 by striking the first sentence and inserting the fol-  
2 lowing new sentence: “For purposes of this section,  
3 the term ‘analog, digital, or electronic image’ in-  
4 cludes any analog, digital, or electronic method used  
5 for the making, execution, acquisition, scanning,  
6 capturing, recording, retrieval, transmission, or re-  
7 production of any obligation or security, unless such  
8 use is authorized by the Secretary of the Treasury.”.

9 (3) TECHNICAL AND CONFORMING AMEND-  
10 MENT.—The heading for section 474 of title 18,  
11 United States Code, is amended by striking “**or**  
12 **stones**” and inserting “**, stones, or analog,**  
13 **digital, or electronic images**”.

14 (4) CLERICAL AMENDMENT.—The table of sec-  
15 tions for chapter 25 of title 18, United States Code,  
16 is amended in the item relating to section 474 by  
17 striking “or stones” and inserting “, stones, or ana-  
18 log, digital, or electronic images”.

19 (f) TAKING IMPRESSIONS OF TOOLS USED FOR OBLI-  
20 GATIONS OR SECURITIES.—Section 476 of title 18, United  
21 States Code, is amended—

22 (1) by inserting “analog, digital, or electronic  
23 image,” after “impression, stamp,”; and

24 (2) by striking “ten years” and inserting “25  
25 years”.

1 (g) POSSESSING OR SELLING IMPRESSIONS OF  
2 TOOLS USED FOR OBLIGATIONS OR SECURITIES.—Sec-  
3 tion 477 of title 18, United States Code, is amended—

4 (1) in the first paragraph, by inserting “analog,  
5 digital, or electronic image,” after “imprint,  
6 stamp,”;

7 (2) in the second paragraph, by inserting “ana-  
8 log, digital, or electronic image,” after “imprint,  
9 stamp,”; and

10 (3) in the third paragraph, by striking “ten  
11 years” and inserting “25 years”.

12 (h) CONNECTING PARTS OF DIFFERENT NOTES.—  
13 Section 484 of title 18, United States Code, is amended  
14 by striking “five years” and inserting “10 years”.

15 (i) BONDS AND OBLIGATIONS OF CERTAIN LENDING  
16 AGENCIES.—The first and second paragraphs of section  
17 493 of title 18, United States Code, are each amended  
18 by striking “five years” and inserting “10 years”.

19 **SEC. 375. COUNTERFEITING FOREIGN CURRENCY AND OB-**  
20 **LIGATIONS.**

21 (a) FOREIGN OBLIGATIONS OR SECURITIES.—Sec-  
22 tion 478 of title 18, United States Code, is amended by  
23 striking “five years” and inserting “20 years”.

24 (b) UTTERING COUNTERFEIT FOREIGN OBLIGA-  
25 TIONS OR SECURITIES.—Section 479 of title 18, United

1 States Code, is amended by striking “three years” and  
2 inserting “20 years”.

3 (c) POSSESSING COUNTERFEIT FOREIGN OBLIGA-  
4 TIONS OR SECURITIES.—Section 480 of title 18, United  
5 States Code, is amended by striking “one year” and in-  
6 serting “20 years”.

7 (d) PLATES, STONES, OR ANALOG, DIGITAL, OR  
8 ELECTRONIC IMAGES FOR COUNTERFEITING FOREIGN  
9 OBLIGATIONS OR SECURITIES.—

10 (1) IN GENERAL.—Section 481 of title 18,  
11 United States Code, is amended by inserting after  
12 the second paragraph the following new paragraph:

13 “Whoever, with intent to defraud, makes, executes,  
14 acquires, scans, captures, records, receives, transmits, re-  
15 produces, sells, or has in such person’s control, custody,  
16 or possession, an analog, digital, or electronic image of  
17 any bond, certificate, obligation, or other security of any  
18 foreign government, or of any treasury note, bill, or prom-  
19 ise to pay, lawfully issued by such foreign government and  
20 intended to circulate as money; or”.

21 (2) INCREASED SENTENCE.—The last para-  
22 graph of section 481 of title 18, United States Code,  
23 is amended by striking “five years” and inserting  
24 “25 years”.

1           (3) TECHNICAL AND CONFORMING AMEND-  
2           MENT.—The heading for section 481 of title 18,  
3           United States Code, is amended by striking “**or**  
4           **stones**” and inserting “, **stones, or analog,**  
5           **digital, or electronic images**”.

6           (4) CLERICAL AMENDMENT.—The table of sec-  
7           tions for chapter 25 of title 18, United States Code,  
8           is amended in the item relating to section 481 by  
9           striking “or stones” and inserting “, stones, or ana-  
10          log, digital, or electronic images”.

11          (e) FOREIGN BANK NOTES.—Section 482 of title 18,  
12          United States Code, is amended by striking “two years”  
13          and inserting “20 years”.

14          (f) UTTERING COUNTERFEIT FOREIGN BANK  
15          NOTES.—Section 483 of title 18, United States Code, is  
16          amended by striking “one year” and inserting “20 years”.

17          **SEC. 376. LAUNDERING THE PROCEEDS OF TERRORISM.**

18          Section 1956(c)(7)(D) of title 18, United States  
19          Code, is amended by inserting “or 2339B” after “2339A”.

20          **SEC. 377. EXTRATERRITORIAL JURISDICTION.**

21          Section 1029 of title 18, United States Code, is  
22          amended by adding at the end the following:

23          “(h) Any person who, outside the jurisdiction of the  
24          United States, engages in any act that, if committed with-  
25          in the jurisdiction of the United States, would constitute



1 an offense under subsection (a) or (b) of this section, shall  
2 be subject to the fines, penalties, imprisonment, and for-  
3 feiture provided in this title if—

4 “(1) the offense involves an access device  
5 issued, owned, managed, or controlled by a financial  
6 institution, account issuer, credit card system mem-  
7 ber, or other entity within the jurisdiction of the  
8 United States; and

9 “(2) the person transports, delivers, conveys,  
10 transfers to or through, or otherwise stores, secrets,  
11 or holds within the jurisdiction of the United States,  
12 any article used to assist in the commission of the  
13 offense or the proceeds of such offense or property  
14 derived therefrom.”.

## 15 **TITLE IV—PROTECTING THE** 16 **BORDER**

### 17 **Subtitle A—Protecting the** 18 **Northern Border**

#### 19 **SEC. 401. ENSURING ADEQUATE PERSONNEL ON THE** 20 **NORTHERN BORDER.**

21 The Attorney General is authorized to waive any  
22 FTE cap on personnel assigned to the Immigration and  
23 Naturalization Service on the Northern border.

#### 24 **SEC. 402. NORTHERN BORDER PERSONNEL.**

25 There are authorized to be appropriated—

1           (1) such sums as may be necessary to triple the  
2           number of Border Patrol personnel (from the num-  
3           ber authorized under current law), and the necessary  
4           personnel and facilities to support such personnel, in  
5           each State along the Northern Border;

6           (2) such sums as may be necessary to triple the  
7           number of Customs Service personnel (from the  
8           number authorized under current law), and the nec-  
9           essary personnel and facilities to support such per-  
10          sonnel, at ports of entry in each State along the  
11          Northern Border;

12          (3) such sums as may be necessary to triple the  
13          number of INS inspectors (from the number author-  
14          ized on the date of the enactment of this Act), and  
15          the necessary personnel and facilities to support  
16          such personnel, at ports of entry in each State along  
17          the Northern Border; and

18          (4) an additional \$50,000,000 each to the Im-  
19          migration and Naturalization Service and the United  
20          States Customs Service for purposes of making im-  
21          provements in technology for monitoring the North-  
22          ern Border and acquiring additional equipment at  
23          the Northern Border.

1 **SEC. 403. ACCESS BY THE DEPARTMENT OF STATE AND**  
2 **THE INS TO CERTAIN IDENTIFYING INFORMA-**  
3 **TION IN THE CRIMINAL HISTORY RECORDS**  
4 **OF VISA APPLICANTS AND APPLICANTS FOR**  
5 **ADMISSION TO THE UNITED STATES.**

6 (a) AMENDMENT OF THE IMMIGRATION AND NA-  
7 TIONALITY ACT.—Section 105 of the Immigration and  
8 Nationality Act (8 U.S.C. 1105) is amended—

9 (1) in the section heading, by inserting “; DATA  
10 EXCHANGE” after “SECURITY OFFICERS”;

11 (2) by inserting “(a)” after “SEC. 105.”;

12 (3) in subsection (a), by inserting “and border”  
13 after “internal” the second place it appears; and

14 (4) by adding at the end the following:

15 “(b)(1) The Attorney General and the Director of the  
16 Federal Bureau of Investigation shall provide the Depart-  
17 ment of State and the Service access to the criminal his-  
18 tory record information contained in the National Crime  
19 Information Center’s Interstate Identification Index  
20 (NCIC-III), Wanted Persons File, and to any other files  
21 maintained by the National Crime Information Center  
22 that may be mutually agreed upon by the Attorney Gen-  
23 eral and the agency receiving the access, for the purpose  
24 of determining whether or not a visa applicant or appli-  
25 cant for admission has a criminal history record indexed  
26 in any such file.

1       “(2) Such access shall be provided by means of ex-  
2 tracts of the records for placement in the automated visa  
3 lookout or other appropriate database, and shall be pro-  
4 vided without any fee or charge.

5       “(3) The Federal Bureau of Investigation shall pro-  
6 vide periodic updates of the extracts at intervals mutually  
7 agreed upon with the agency receiving the access. Upon  
8 receipt of such updated extracts, the receiving agency shall  
9 make corresponding updates to its database and destroy  
10 previously provided extracts.

11       “(4) Access to an extract does not entitle the Depart-  
12 ment of State to obtain the full content of the cor-  
13 responding automated criminal history record. To obtain  
14 the full content of a criminal history record, the Depart-  
15 ment of State shall submit the applicant’s fingerprints and  
16 any appropriate fingerprint processing fee authorized by  
17 law to the Criminal Justice Information Services Division  
18 of the Federal Bureau of Investigation.

19       “(c) The provision of the extracts described in sub-  
20 section (b) may be reconsidered by the Attorney General  
21 and the receiving agency upon the development and de-  
22 ployment of a more cost-effective and efficient means of  
23 sharing the information.

24       “(d) For purposes of administering this section, the  
25 Department of State shall, prior to receiving access to

1 NCIC data but not later than 4 months after the date  
2 of enactment of this subsection, promulgate final  
3 regulations—

4 “(1) to implement procedures for the taking of  
5 fingerprints; and

6 “(2) to establish the conditions for the use of  
7 the information received from the Federal Bureau of  
8 Investigation, in order—

9 “(A) to limit the redissemination of such  
10 information;

11 “(B) to ensure that such information is  
12 used solely to determine whether or not to issue  
13 a visa to an alien or to admit an alien to the  
14 United States;

15 “(C) to ensure the security, confidentiality,  
16 and destruction of such information; and

17 “(D) to protect any privacy rights of indi-  
18 viduals who are subjects of such information.”.

19 (b) REPORTING REQUIREMENT.—Not later than 2  
20 years after the date of enactment of this Act, the Attorney  
21 General and the Secretary of State jointly shall report to  
22 Congress on the implementation of the amendments made  
23 by this section.

24 (c) TECHNOLOGY STANDARD TO CONFIRM IDEN-  
25 TITY.—

1           (1) IN GENERAL.—The Attorney General and  
2           the Secretary of State jointly, through the National  
3           Institute of Standards and Technology (NIST), and  
4           in consultation with the Secretary of the Treasury  
5           and other Federal law enforcement and intelligence  
6           agencies the Attorney General or Secretary of State  
7           deems appropriate and in consultation with Con-  
8           gress, shall within 2 years after the date of the en-  
9           actment of this section, develop and certify a tech-  
10          nology standard that can be used to verify the iden-  
11          tity of persons applying for a United States visa or  
12          such persons seeking to enter the United States pur-  
13          suant to a visa for the purposes of conducting back-  
14          ground checks, confirming identity, and ensuring  
15          that a person has not received a visa under a dif-  
16          ferent name or such person seeking to enter the  
17          United States pursuant to a visa.

18          (2) INTEGRATED.—The technology standard de-  
19          veloped pursuant to paragraph (1), shall be the tech-  
20          nological basis for a cross-agency, cross-platform  
21          electronic system that is a cost-effective, efficient,  
22          fully integrated means to share law enforcement and  
23          intelligence information necessary to confirm the  
24          identity of such persons applying for a United States

1 visa or such person seeking to enter the United  
2 States pursuant to a visa.

3 (3) ACCESSIBLE.—The electronic system de-  
4 scribed in paragraph (2), once implemented, shall be  
5 readily and easily accessible to—

6 (A) all consular officers responsible for the  
7 issuance of visas;

8 (B) all Federal inspection agents at all  
9 United States border inspection points; and

10 (C) all law enforcement and intelligence of-  
11 ficers as determined by regulation to be respon-  
12 sible for investigation or identification of aliens  
13 admitted to the United States pursuant to a  
14 visa.

15 (4) REPORT.—Not later than 18 months after  
16 the date of the enactment of this Act, and every 2  
17 years thereafter, the Attorney General and the Sec-  
18 retary of State shall jointly, in consultation with the  
19 Secretary of Treasury, report to Congress describing  
20 the development, implementation, efficacy, and pri-  
21 vacy implications of the technology standard and  
22 electronic database system described in this sub-  
23 section.

24 (5) FUNDING.—There is authorized to be ap-  
25 propriated to the Secretary of State, the Attorney

1       General, and the Director of the National Institute  
2       of Standards and Technology such sums as may be  
3       necessary to carry out the provisions of this sub-  
4       section.

5       (d) STATUTORY CONSTRUCTION.—Nothing in this  
6       section, or in any other law, shall be construed to limit  
7       the authority of the Attorney General or the Director of  
8       the Federal Bureau of Investigation to provide access to  
9       the criminal history record information contained in the  
10      National Crime Information Center’s (NCIC) Interstate  
11      Identification Index (NCIC-III), or to any other informa-  
12      tion maintained by the NCIC, to any Federal agency or  
13      officer authorized to enforce or administer the immigra-  
14      tion laws of the United States, for the purpose of such  
15      enforcement or administration, upon terms that are con-  
16      sistent with the National Crime Prevention and Privacy  
17      Compact Act of 1998 (subtitle A of title II of Public Law  
18      105–251; 42 U.S.C. 14611–16) and section 552a of title  
19      5, United States Code.

20      **SEC. 404. LIMITED AUTHORITY TO PAY OVERTIME.**

21      The matter under the headings “Immigration And  
22      Naturalization Service: Salaries and Expenses, Enforce-  
23      ment And Border Affairs” and “Immigration And Natu-  
24      ralization Service: Salaries and Expenses, Citizenship And  
25      Benefits, Immigration And Program Direction” in the De-



1 partment of Justice Appropriations Act, 2001 (as enacted  
2 into law by Appendix B (H.R. 5548) of Public Law 106–  
3 553 (114 Stat. 2762A–58 to 2762A–59)) is amended by  
4 striking the following each place it occurs: “*Provided*, That  
5 none of the funds available to the Immigration and Natu-  
6 ralization Service shall be available to pay any employee  
7 overtime pay in an amount in excess of \$30,000 during  
8 the calendar year beginning January 1, 2001:”.

9 **SEC. 405. REPORT ON THE INTEGRATED AUTOMATED FIN-**  
10 **GERPRINT IDENTIFICATION SYSTEM FOR**  
11 **PORTS OF ENTRY AND OVERSEAS CONSULAR**  
12 **POSTS.**

13 (a) IN GENERAL.—The Attorney General, in con-  
14 sultation with the appropriate heads of other Federal  
15 agencies, including the Secretary of State, Secretary of the  
16 Treasury, and the Secretary of Transportation, shall re-  
17 port to Congress on the feasibility of enhancing the Inte-  
18 grated Automated Fingerprint Identification System  
19 (IAFIS) of the Federal Bureau of Investigation and other  
20 identification systems in order to better identify a person  
21 who holds a foreign passport or a visa and may be wanted  
22 in connection with a criminal investigation in the United  
23 States or abroad, before the issuance of a visa to that per-  
24 son or the entry or exit from the United States by that  
25 person.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—There is  
2 authorized to be appropriated not less than \$2,000,000  
3 to carry out this section.

## 4 **Subtitle B—Enhanced Immigration** 5 **Provisions**

### 6 **SEC. 411. DEFINITIONS RELATING TO TERRORISM.**

7 (a) GROUNDS OF INADMISSIBILITY.—Section  
8 212(a)(3) of the Immigration and Nationality Act (8  
9 U.S.C. 1182(a)(3)) is amended—

10 (1) in subparagraph (B)—

11 (A) in clause (i)—

12 (i) by amending subclause (IV) to  
13 read as follows:

14 “(IV) is a representative (as de-  
15 fined in clause (v)) of—

16 “(aa) a foreign terrorist or-  
17 ganization, as designated by the  
18 Secretary of State under section  
19 219, or

20 “(bb) a political, social or  
21 other similar group whose public  
22 endorsement of acts of terrorist  
23 activity the Secretary of State  
24 has determined undermines

1 United States efforts to reduce or  
2 eliminate terrorist activities,”;

3 (ii) in subclause (V), by inserting “or”  
4 after “section 219,”; and

5 (iii) by adding at the end the fol-  
6 lowing new subclauses:

7 “(VI) has used the alien’s posi-  
8 tion of prominence within any country  
9 to endorse or espouse terrorist activ-  
10 ity, or to persuade others to support  
11 terrorist activity or a terrorist organi-  
12 zation, in a way that the Secretary of  
13 State has determined undermines  
14 United States efforts to reduce or  
15 eliminate terrorist activities, or

16 “(VII) is the spouse or child of  
17 an alien who is inadmissible under  
18 this section, if the activity causing the  
19 alien to be found inadmissible oc-  
20 curred within the last 5 years,”;

21 (B) by redesignating clauses (ii), (iii), and  
22 (iv) as clauses (iii), (iv), and (v), respectively;

23 (C) in clause (i)(II), by striking “clause  
24 (iii)” and inserting “clause (iv)”;

1 (D) by inserting after clause (i) the fol-  
2 lowing:

3 “(ii) EXCEPTION.—Subclause (VII) of  
4 clause (i) does not apply to a spouse or  
5 child—

6 “(I) who did not know or should  
7 not reasonably have known of the ac-  
8 tivity causing the alien to be found in-  
9 admissible under this section; or

10 “(II) whom the consular officer  
11 or Attorney General has reasonable  
12 grounds to believe has renounced the  
13 activity causing the alien to be found  
14 inadmissible under this section.”;

15 (E) in clause (iii) (as redesignated by sub-  
16 paragraph (B))—

17 (i) by inserting “it had been” before  
18 “committed in the United States”; and

19 (ii) in subclause (V)(b), by striking  
20 “or firearm” and inserting “, firearm, or  
21 other weapon or dangerous device”;

22 (F) by amending clause (iv) (as redesign-  
23 ated by subparagraph (B)) to read as follows:

24 “(iv) ENGAGE IN TERRORIST ACTIVITY  
25 DEFINED.—As used in this chapter, the

1 term ‘engage in terrorist activity’ means,  
2 in an individual capacity or as a member  
3 of an organization—

4 “(I) to commit or to incite to  
5 commit, under circumstances indi-  
6 cating an intention to cause death or  
7 serious bodily injury, a terrorist activ-  
8 ity;

9 “(II) to prepare or plan a ter-  
10 rorist activity;

11 “(III) to gather information on  
12 potential targets for terrorist activity;

13 “(IV) to solicit funds or other  
14 things of value for—

15 “(aa) a terrorist activity;

16 “(bb) a terrorist organiza-  
17 tion described in clause (vi)(I) or  
18 (vi)(II); or

19 “(cc) a terrorist organiza-  
20 tion described in clause (vi)(III),  
21 unless the solicitor can dem-  
22 onstrate that he did not know,  
23 and should not reasonably have  
24 known, that the solicitation

1 would further the organization’s  
2 terrorist activity;

3 “(V) to solicit any individual—

4 “(aa) to engage in conduct  
5 otherwise described in this  
6 clause;

7 “(bb) for membership in a  
8 terrorist organization described  
9 in clause (vi)(I) or (vi)(II); or

10 “(cc) for membership in a  
11 terrorist organization described  
12 in clause (vi)(III), unless the so-  
13 licitor can demonstrate that he  
14 did not know, and should not  
15 reasonably have known, that the  
16 solicitation would further the or-  
17 ganization’s terrorist activity; or

18 “(VI) to commit an act that the  
19 actor knows, or reasonably should  
20 know, affords material support, in-  
21 cluding a safe house, transportation,  
22 communications, funds, transfer of  
23 funds or other material financial ben-  
24 efit, false documentation or identifica-  
25 tion, weapons (including chemical, bi-

1                   ological, or radiological weapons), ex-  
2                   plosives, or training—

3                   “ (aa) for the commission of  
4                   a terrorist activity;

5                   “ (bb) to any individual who  
6                   the actor knows, or reasonably  
7                   should know, has committed or  
8                   plans to commit a terrorist activ-  
9                   ity;

10                  “ (cc) to a terrorist organiza-  
11                  tion described in clause (vi)(I) or  
12                  (vi)(II); or

13                  “ (dd) to a terrorist organi-  
14                  zation described in clause  
15                  (vi)(III), unless the actor can  
16                  demonstrate that he did not  
17                  know, and should not reasonably  
18                  have known, that the act would  
19                  further the organization’s ter-  
20                  rorist activity.

21                  This clause shall not apply to any ma-  
22                  terial support the alien afforded to an  
23                  organization or individual that has  
24                  committed terrorist activity, if the  
25                  Secretary of State, after consultation

1 with the Attorney General, or the At-  
2 torney General, after consultation  
3 with the Secretary of State, concludes  
4 in his sole unreviewable discretion,  
5 that this clause should not apply.”;  
6 and

7 (G) by adding at the end the following new  
8 clause:

9 “(vi) TERRORIST ORGANIZATION DE-  
10 FINED.—As used in clause (i)(VI) and  
11 clause (iv), the term ‘terrorist organiza-  
12 tion’ means an organization—

13 “(I) designated under section  
14 219;

15 “(II) otherwise designated, upon  
16 publication in the Federal Register, by  
17 the Secretary of State in consultation  
18 with or upon the request of the Attor-  
19 ney General, as a terrorist organiza-  
20 tion, after finding that the organiza-  
21 tion engages in the activities described  
22 in subclause (I), (II), or (III) of  
23 clause (iv), or that the organization  
24 provides material support to further  
25 terrorist activity; or



1                   “(III) that is a group of two or  
2                   more individuals, whether organized  
3                   or not, which engages in the activities  
4                   described in subclause (I), (II), or  
5                   (III) of clause (iv).”; and

6                   (2) by adding at the end the following new sub-  
7                   paragraph:

8                   “(F) ASSOCIATION WITH TERRORIST ORGA-  
9                   NIZATIONS.—Any alien who the Secretary of  
10                  State, after consultation with the Attorney Gen-  
11                  eral, or the Attorney General, after consultation  
12                  with the Secretary of State, determines has  
13                  been associated with a terrorist organization  
14                  and intends while in the United States to en-  
15                  gage solely, principally, or incidentally in activi-  
16                  ties that could endanger the welfare, safety, or  
17                  security of the United States is inadmissible.”.

18                  (b) CONFORMING AMENDMENTS.—

19                  (1) Section 237(a)(4)(B) of the Immigration  
20                  and Nationality Act (8 U.S.C. 1227(a)(4)(B)) is  
21                  amended by striking “section 212(a)(3)(B)(iii)” and  
22                  inserting “section 212(a)(3)(B)(iv)”.

23                  (2) Section 208(b)(2)(A)(v) of the Immigration  
24                  and Nationality Act (8 U.S.C. 1158(b)(2)(A)(v)) is

1 amended by striking “or (IV)” and inserting “(IV),  
2 or (VI)”.

3 (c) RETROACTIVE APPLICATION OF AMENDMENTS.—

4 (1) IN GENERAL.—Except as otherwise pro-  
5 vided in this subsection, the amendments made by  
6 this section shall take effect on the date of the en-  
7 actment of this Act and shall apply to—

8 (A) actions taken by an alien before, on, or  
9 after such date; and

10 (B) all aliens, without regard to the date  
11 of entry or attempted entry into the United  
12 States—

13 (i) in removal proceedings on or after  
14 such date (except for proceedings in which  
15 there has been a final administrative deci-  
16 sion before such date); or

17 (ii) seeking admission to the United  
18 States on or after such date.

19 (2) SPECIAL RULE FOR ALIENS IN EXCLUSION  
20 OR DEPORTATION PROCEEDINGS.—Notwithstanding  
21 any other provision of law, sections 212(a)(3)(B)  
22 and 237(a)(4)(B) of the Immigration and Nation-  
23 ality Act, as amended by this Act, shall apply to all  
24 aliens in exclusion or deportation proceedings on or  
25 after the date of the enactment of this Act (except

1 for proceedings in which there has been a final ad-  
2 ministrative decision before such date) as if such  
3 proceedings were removal proceedings.

4 (3) SPECIAL RULE FOR SECTION 219 ORGANIZA-  
5 TIONS AND ORGANIZATIONS DESIGNATED UNDER  
6 SECTION 212(a)(3)(B)(vi)(II).—

7 (A) IN GENERAL.—Notwithstanding para-  
8 graphs (1) and (2), no alien shall be considered  
9 inadmissible under section 212(a)(3) of the Im-  
10 migration and Nationality Act (8 U.S.C.  
11 1182(a)(3)), or deportable under section  
12 237(a)(4)(B) of such Act (8 U.S.C.  
13 1227(a)(4)(B)), by reason of the amendments  
14 made by subsection (a), on the ground that the  
15 alien engaged in a terrorist activity described in  
16 subclause (IV)(bb), (V)(bb), or (VI)(cc) of sec-  
17 tion 212(a)(3)(B)(iv) of such Act (as so amend-  
18 ed) with respect to a group at any time when  
19 the group was not a terrorist organization des-  
20 ignated by the Secretary of State under section  
21 219 of such Act (8 U.S.C. 1189) or otherwise  
22 designated under section 212(a)(3)(B)(vi)(II) of  
23 such Act (as so amended).

24 (B) STATUTORY CONSTRUCTION.—Sub-  
25 paragraph (A) shall not be construed to prevent

1 an alien from being considered inadmissible or  
2 deportable for having engaged in a terrorist  
3 activity—

4 (i) described in subclause (IV)(bb),  
5 (V)(bb), or (VI)(cc) of section  
6 212(a)(3)(B)(iv) of such Act (as so amend-  
7 ed) with respect to a terrorist organization  
8 at any time when such organization was  
9 designated by the Secretary of State under  
10 section 219 of such Act or otherwise des-  
11 ignated under section 212(a)(3)(B)(vi)(II)  
12 of such Act (as so amended); or

13 (ii) described in subclause (IV)(cc),  
14 (V)(cc), or (VI)(dd) of section  
15 212(a)(3)(B)(iv) of such Act (as so amend-  
16 ed) with respect to a terrorist organization  
17 described in section 212(a)(3)(B)(vi)(III)  
18 of such Act (as so amended).

19 (4) EXCEPTION.—The Secretary of State, in  
20 consultation with the Attorney General, may deter-  
21 mine that the amendments made by this section  
22 shall not apply with respect to actions by an alien  
23 taken outside the United States before the date of  
24 the enactment of this Act upon the recommendation  
25 of a consular officer who has concluded that there

1 is not reasonable ground to believe that the alien  
2 knew or reasonably should have known that the ac-  
3 tions would further a terrorist activity.

4 (c) DESIGNATION OF FOREIGN TERRORIST ORGANI-  
5 ZATIONS.—Section 219(a) of the Immigration and Nation-  
6 ality Act (8 U.S.C. 1189(a)) is amended—

7 (1) in paragraph (1)(B), by inserting “or ter-  
8 rorism (as defined in section 140(d)(2) of the For-  
9 eign Relations Authorization Act, Fiscal Years 1988  
10 and 1989 (22 U.S.C. 2656f(d)(2)), or retains the ca-  
11 pability and intent to engage in terrorist activity or  
12 terrorism” after “212(a)(3)(B)”;

13 (2) in paragraph (1)(C), by inserting “or ter-  
14 rorism” after “terrorist activity”;

15 (3) by amending paragraph (2)(A) to read as  
16 follows:

17 “(A) NOTICE.—

18 “(i) TO CONGRESSIONAL LEADERS.—  
19 Seven days before making a designation  
20 under this subsection, the Secretary shall,  
21 by classified communication, notify the  
22 Speaker and Minority Leader of the House  
23 of Representatives, the President pro tem-  
24 pore, Majority Leader, and Minority Lead-  
25 er of the Senate, and the members of the

1 relevant committees of the House of Rep-  
2 resentatives and the Senate, in writing, of  
3 the intent to designate an organization  
4 under this subsection, together with the  
5 findings made under paragraph (1) with  
6 respect to that organization, and the fac-  
7 tual basis therefor.

8 “(ii) PUBLICATION IN FEDERAL REG-  
9 ISTER.—The Secretary shall publish the  
10 designation in the Federal Register seven  
11 days after providing the notification under  
12 clause (i).”;

13 (4) in paragraph (2)(B)(i), by striking “sub-  
14 paragraph (A)” and inserting “subparagraph  
15 (A)(ii)”;

16 (5) in paragraph (2)(C), by striking “paragraph  
17 (2)” and inserting “paragraph (2)(A)(i)”;

18 (6) in paragraph (3)(B), by striking “sub-  
19 section (c)” and inserting “subsection (b)”;

20 (7) in paragraph (4)(B), by inserting after the  
21 first sentence the following: “The Secretary also may  
22 redesignate such organization at the end of any 2-  
23 year redesignation period (but not sooner than 60  
24 days prior to the termination of such period) for an  
25 additional 2-year period upon a finding that the rel-

1 evant circumstances described in paragraph (1) still  
2 exist. Any redesignation shall be effective imme-  
3 diately following the end of the prior 2-year designa-  
4 tion or redesignation period unless a different effec-  
5 tive date is provided in such redesignation.”;

6 (8) in paragraph (6)(A)—

7 (A) by inserting “or a redesignation made  
8 under paragraph (4)(B)” after “paragraph  
9 (1)”;

10 (B) in clause (i)—

11 (i) by inserting “or redesignation”  
12 after “designation” the first place it ap-  
13 pears; and

14 (ii) by striking “of the designation”;

15 and

16 (C) in clause (ii), by striking “of the des-  
17 ignation”;

18 (9) in paragraph (6)(B)—

19 (A) by striking “through (4)” and insert-  
20 ing “and (3)”;

21 (B) by inserting at the end the following  
22 new sentence: “Any revocation shall take effect  
23 on the date specified in the revocation or upon  
24 publication in the Federal Register if no effec-  
25 tive date is specified.”;

1 (10) in paragraph (7), by inserting “, or the  
2 revocation of a redesignation under paragraph (6),”  
3 after “paragraph (5) or (6)”; and

4 (11) in paragraph (8)—

5 (A) by striking “paragraph (1)(B)” and  
6 inserting “paragraph (2)(B), or if a redesigna-  
7 tion under this subsection has become effective  
8 under paragraph (4)(B)”;

9 (B) by inserting “or an alien in a removal  
10 proceeding” after “criminal action”; and

11 (C) by inserting “or redesignation” before  
12 “as a defense”.

13 **SEC. 412. MANDATORY DETENTION OF SUSPECTED TER-**  
14 **RORISTS; HABEAS CORPUS; JUDICIAL RE-**  
15 **VIEW.**

16 (a) IN GENERAL.—The Immigration and Nationality  
17 Act (8 U.S.C. 1101 et seq.) is amended by inserting after  
18 section 236 the following:

19 “MANDATORY DETENTION OF SUSPECTED TERRORISTS;  
20 HABEAS CORPUS; JUDICIAL REVIEW

21 “SEC. 236A. (a) DETENTION OF TERRORIST  
22 ALIENS.—

23 “(1) CUSTODY.—The Attorney General shall  
24 take into custody any alien who is certified under  
25 paragraph (3).



1           “(2) RELEASE.—Except as provided in para-  
2           graphs (5) and (6), the Attorney General shall main-  
3           tain custody of such an alien until the alien is re-  
4           moved from the United States. Except as provided  
5           in paragraph (6), such custody shall be maintained  
6           irrespective of any relief from removal for which the  
7           alien may be eligible, or any relief from removal  
8           granted the alien, until the Attorney General deter-  
9           mines that the alien is no longer an alien who may  
10          be certified under paragraph (3). If the alien is fi-  
11          nally determined not to be removable, detention pur-  
12          suant to this subsection shall terminate.

13           “(3) CERTIFICATION.—The Attorney General  
14          may certify an alien under this paragraph if the At-  
15          torney General has reasonable grounds to believe  
16          that the alien—

17                   “(A) is described in section  
18                   212(a)(3)(A)(i),                   212(a)(3)(A)(iii),  
19                   212(a)(3)(B),                   237(a)(4)(A)(i),  
20                   237(a)(4)(A)(iii), or 237(a)(4)(B); or

21                   “(B) is engaged in any other activity that  
22                   endangers the national security of the United  
23                   States.

24           “(4) NONDELEGATION.—The Attorney General  
25          may delegate the authority provided under para-

1 graph (3) only to the Deputy Attorney General. The  
2 Deputy Attorney General may not delegate such au-  
3 thority.

4 “(5) COMMENCEMENT OF PROCEEDINGS.—The  
5 Attorney General shall place an alien detained under  
6 paragraph (1) in removal proceedings, or shall  
7 charge the alien with a criminal offense, not later  
8 than 7 days after the commencement of such deten-  
9 tion. If the requirement of the preceding sentence is  
10 not satisfied, the Attorney General shall release the  
11 alien.

12 “(6) LIMITATION ON INDEFINITE DETEN-  
13 TION.—An alien detained solely under paragraph (1)  
14 who has not been removed under section  
15 241(a)(1)(A), and whose removal is unlikely in the  
16 reasonably foreseeable future, may be detained for  
17 additional periods of up to six months only if the re-  
18 lease of the alien will threaten the national security  
19 of the United States or the safety of the community  
20 or any person.

21 “(7) REVIEW OF CERTIFICATION.—The Attor-  
22 ney General shall review the certification made  
23 under paragraph (3) every 6 months. If the Attorney  
24 General determines, in the Attorney General’s dis-  
25 cretion, that the certification should be revoked, the

1 alien may be released on such conditions as the At-  
2 torney General deems appropriate, unless such re-  
3 lease is otherwise prohibited by law. The alien may  
4 request each 6 months in writing that the Attorney  
5 General reconsider the certification and may submit  
6 documents or other evidence in support of that re-  
7 quest.

8 “(b) HABEAS CORPUS AND JUDICIAL REVIEW.—

9 “(1) IN GENERAL.—Judicial review of any ac-  
10 tion or decision relating to this section (including ju-  
11 dicial review of the merits of a determination made  
12 under subsection (a)(3) or (a)(6)) is available exclu-  
13 sively in habeas corpus proceedings consistent with  
14 this subsection. Except as provided in the preceding  
15 sentence, no court shall have jurisdiction to review,  
16 by habeas corpus petition or otherwise, any such ac-  
17 tion or decision.

18 “(2) APPLICATION.—

19 “(A) IN GENERAL.—Notwithstanding any  
20 other provision of law, including section  
21 2241(a) of title 28, United States Code, habeas  
22 corpus proceedings described in paragraph (1)  
23 may be initiated only by an application filed  
24 with—

25 “(i) the Supreme Court;

1                   “(ii) any justice of the Supreme  
2                   Court;

3                   “(iii) any circuit judge of the United  
4                   States Court of Appeals for the District of  
5                   Columbia Circuit; or

6                   “(iv) any district court otherwise hav-  
7                   ing jurisdiction to entertain it.

8                   “(B) APPLICATION TRANSFER.—Section  
9                   2241(b) of title 28, United States Code, shall  
10                  apply to an application for a writ of habeas cor-  
11                  pus described in subparagraph (A).

12                  “(3) APPEALS.—Notwithstanding any other  
13                  provision of law, including section 2253 of title 28,  
14                  in habeas corpus proceedings described in paragraph  
15                  (1) before a circuit or district judge, the final order  
16                  shall be subject to review, on appeal, by the United  
17                  States Court of Appeals for the District of Columbia  
18                  Circuit. There shall be no right of appeal in such  
19                  proceedings to any other circuit court of appeals.

20                  “(4) RULE OF DECISION.—The law applied by  
21                  the Supreme Court and the United States Court of  
22                  Appeals for the District of Columbia Circuit shall be  
23                  regarded as the rule of decision in habeas corpus  
24                  proceedings described in paragraph (1).

1           “(c) STATUTORY CONSTRUCTION.—The provisions of  
2 this section shall not be applicable to any other provision  
3 of this Act.”.

4           (b) CLERICAL AMENDMENT.—The table of contents  
5 of the Immigration and Nationality Act is amended by in-  
6 serting after the item relating to section 236 the following:

“Sec. 236A. Mandatory detention of suspected terrorist; habeas corpus; judicial  
review.”.

7           (c) REPORTS.—Not later than 6 months after the  
8 date of the enactment of this Act, and every 6 months  
9 thereafter, the Attorney General shall submit a report to  
10 the Committee on the Judiciary of the House of Rep-  
11 resentatives and the Committee on the Judiciary of the  
12 Senate, with respect to the reporting period, on—

13                   (1) the number of aliens certified under section  
14 236A(a)(3) of the Immigration and Nationality Act,  
15 as added by subsection (a);

16                   (2) the grounds for such certifications;

17                   (3) the nationalities of the aliens so certified;

18                   (4) the length of the detention for each alien so  
19 certified; and

20                   (5) the number of aliens so certified who—

21                           (A) were granted any form of relief from  
22 removal;

23                           (B) were removed;

1 (C) the Attorney General has determined  
2 are no longer aliens who may be so certified; or  
3 (D) were released from detention.

4 **SEC. 413. MULTILATERAL COOPERATION AGAINST TERROR-**  
5 **ISTS.**

6 Section 222(f) of the Immigration and Nationality  
7 Act (8 U.S.C. 1202(f)) is amended—

8 (1) by striking “except that in the discretion  
9 of” and inserting the following: “except that—

10 “(1) in the discretion of”; and

11 (2) by adding at the end the following:

12 “(2) the Secretary of State, in the Secretary’s  
13 discretion and on the basis of reciprocity, may pro-  
14 vide to a foreign government information in the De-  
15 partment of State’s computerized visa lookout data-  
16 base and, when necessary and appropriate, other  
17 records covered by this section related to informa-  
18 tion in the database—

19 “(A) with regard to individual aliens, at  
20 any time on a case-by-case basis for the pur-  
21 pose of preventing, investigating, or punishing  
22 acts that would constitute a crime in the United  
23 States, including, but not limited to, terrorism  
24 or trafficking in controlled substances, persons,  
25 or illicit weapons; or

1           “(B) with regard to any or all aliens in the  
2           database, pursuant to such conditions as the  
3           Secretary of State shall establish in an agree-  
4           ment with the foreign government in which that  
5           government agrees to use such information and  
6           records for the purposes described in subpara-  
7           graph (A) or to deny visas to persons who  
8           would be inadmissible to the United States.”.

9   **SEC. 414. VISA INTEGRITY AND SECURITY.**

10       (a) SENSE OF CONGRESS REGARDING THE NEED TO  
11   EXPEDITE IMPLEMENTATION OF INTEGRATED ENTRY  
12   AND EXIT DATA SYSTEM.—

13           (1) SENSE OF CONGRESS.—In light of the ter-  
14   rorist attacks perpetrated against the United States  
15   on September 11, 2001, it is the sense of the Con-  
16   gress that—

17           (A) the Attorney General, in consultation  
18   with the Secretary of State, should fully imple-  
19   ment the integrated entry and exit data system  
20   for airports, seaports, and land border ports of  
21   entry, as specified in section 110 of the Illegal  
22   Immigration Reform and Immigrant Responsi-  
23   bility Act of 1996 (8 U.S.C. 1365a), with all  
24   deliberate speed and as expeditiously as prac-  
25   ticable; and

1 (B) the Attorney General, in consultation  
2 with the Secretary of State, the Secretary of  
3 Commerce, the Secretary of the Treasury, and  
4 the Office of Homeland Security, should imme-  
5 diately begin establishing the Integrated Entry  
6 and Exit Data System Task Force, as described  
7 in section 3 of the Immigration and Naturaliza-  
8 tion Service Data Management Improvement  
9 Act of 2000 (Public Law 106–215).

10 (2) AUTHORIZATION OF APPROPRIATIONS.—

11 There is authorized to be appropriated such sums as  
12 may be necessary to fully implement the system de-  
13 scribed in paragraph (1)(A).

14 (b) DEVELOPMENT OF THE SYSTEM.—In the devel-  
15 opment of the integrated entry and exit data system under  
16 section 110 of the Illegal Immigration Reform and Immig-  
17 rant Responsibility Act of 1996 (8 U.S.C. 1365a), the  
18 Attorney General and the Secretary of State shall particu-  
19 larly focus on—

20 (1) the utilization of biometric technology; and

21 (2) the development of tamper-resistant docu-  
22 ments readable at ports of entry.

23 (c) INTERFACE WITH LAW ENFORCEMENT DATA-  
24 BASES.—The entry and exit data system described in this  
25 section shall be able to interface with law enforcement



1 databases for use by Federal law enforcement to identify  
2 and detain individuals who pose a threat to the national  
3 security of the United States.

4 (d) REPORT ON SCREENING INFORMATION.—Not  
5 later than 12 months after the date of enactment of this  
6 Act, the Office of Homeland Security shall submit a report  
7 to Congress on the information that is needed from any  
8 United States agency to effectively screen visa applicants  
9 and applicants for admission to the United States to iden-  
10 tify those affiliated with terrorist organizations or those  
11 that pose any threat to the safety or security of the United  
12 States, including the type of information currently re-  
13 ceived by United States agencies and the regularity with  
14 which such information is transmitted to the Secretary of  
15 State and the Attorney General.

16 **SEC. 415. PARTICIPATION OF OFFICE OF HOMELAND SECU-**  
17 **RITY ON ENTRY-EXIT TASK FORCE.**

18 Section 3 of the Immigration and Naturalization  
19 Service Data Management Improvement Act of 2000  
20 (Public Law 106–215) is amended by striking “and the  
21 Secretary of the Treasury,” and inserting “the Secretary  
22 of the Treasury, and the Office of Homeland Security”.

23 **SEC. 416. FOREIGN STUDENT MONITORING PROGRAM.**

24 (a) FULL IMPLEMENTATION AND EXPANSION OF  
25 FOREIGN STUDENT VISA MONITORING PROGRAM RE-

1 QUIRED.—The Attorney General, in consultation with the  
2 Secretary of State, shall fully implement and expand the  
3 program established by section 641(a) of the Illegal Immi-  
4 gration Reform and Immigrant Responsibility Act of 1996  
5 (8 U.S.C. 1372(a)).

6 (b) INTEGRATION WITH PORT OF ENTRY INFORMA-  
7 TION.—For each alien with respect to whom information  
8 is collected under section 641 of the Illegal Immigration  
9 Reform and Immigrant Responsibility Act of 1996 (8  
10 U.S.C. 1372), the Attorney General, in consultation with  
11 the Secretary of State, shall include information on the  
12 date of entry and port of entry.

13 (c) EXPANSION OF SYSTEM TO INCLUDE OTHER AP-  
14 PROVED EDUCATIONAL INSTITUTIONS.—Section 641 of  
15 the Illegal Immigration Reform and Immigrant Responsi-  
16 bility Act of 1996 (8 U.S.C.1372) is amended—

17 (1) in subsection (a)(1), subsection (c)(4)(A),  
18 and subsection (d)(1) (in the text above subpara-  
19 graph (A)), by inserting “, other approved edu-  
20 cational institutions,” after “higher education” each  
21 place it appears;

22 (2) in subsections (c)(1)(C), (c)(1)(D), and  
23 (d)(1)(A), by inserting “, or other approved edu-  
24 cational institution,” after “higher education” each  
25 place it appears;

1           (3) in subsections (d)(2), (e)(1), and (e)(2), by  
2           inserting “, other approved educational institution,”  
3           after “higher education” each place it appears; and

4           (4) in subsection (h), by adding at the end the  
5           following new paragraph:

6           “(3) OTHER APPROVED EDUCATIONAL INSTITU-  
7           TION.—The term ‘other approved educational insti-  
8           tution’ includes any air flight school, language train-  
9           ing school, or vocational school, approved by the At-  
10          torney General, in consultation with the Secretary of  
11          Education and the Secretary of State, under sub-  
12          paragraph (F), (J), or (M) of section 101(a)(15) of  
13          the Immigration and Nationality Act.”.

14          (d) AUTHORIZATION OF APPROPRIATIONS.—There is  
15          authorized to be appropriated to the Department of Jus-  
16          tice \$36,800,000 for the period beginning on the date of  
17          enactment of this Act and ending on January 1, 2003,  
18          to fully implement and expand prior to January 1, 2003,  
19          the program established by section 641(a) of the Illegal  
20          Immigration Reform and Immigrant Responsibility Act of  
21          1996 (8 U.S.C. 1372(a)).

22          **SEC. 417. MACHINE READABLE PASSPORTS.**

23          (a) AUDITS.—The Secretary of State shall, each fis-  
24          cal year until September 30, 2007—

1           (1) perform annual audits of the implementa-  
2           tion of section 217(c)(2)(B) of the Immigration and  
3           Nationality Act (8 U.S.C. 1187(c)(2)(B));

4           (2) check for the implementation of pre-  
5           cautionary measures to prevent the counterfeiting  
6           and theft of passports; and

7           (3) ascertain that countries designated under  
8           the visa waiver program have established a program  
9           to develop tamper-resistant passports.

10          (b) PERIODIC REPORTS.—Beginning one year after  
11          the date of enactment of this Act, and every year there-  
12          after until 2007, the Secretary of State shall submit a re-  
13          port to Congress setting forth the findings of the most  
14          recent audit conducted under subsection (a)(1).

15          (c) ADVANCING DEADLINE FOR SATISFACTION OF  
16          REQUIREMENT.—Section 217(a)(3) of the Immigration  
17          and Nationality Act (8 U.S.C. 1187(a)(3)) is amended by  
18          striking “2007” and inserting “2003”.

19          (d) WAIVER.—Section 217(a)(3) of the Immigration  
20          and Nationality Act (8 U.S.C. 1187(a)(3)) is amended—

21                 (1) by striking “On or after” and inserting the  
22                 following:

23                         “(A) IN GENERAL.—Except as provided in  
24                         subparagraph (B), on or after”; and

25                 (2) by adding at the end the following:

1           “(B) LIMITED WAIVER AUTHORITY.—For  
2           the period beginning October 1, 2003, and end-  
3           ing September 30, 2007, the Secretary of State  
4           may waive the requirement of subparagraph (A)  
5           with respect to nationals of a program country  
6           (as designated under subsection (c)), if the Sec-  
7           retary of State finds that the program  
8           country—

9                   “(i) is making progress toward ensur-  
10                   ing that passports meeting the requirement  
11                   of subparagraph (A) are generally available  
12                   to its nationals; and

13                   “(ii) has taken appropriate measures  
14                   to protect against misuse of passports the  
15                   country has issued that do not meet the re-  
16                   quirement of subparagraph (A).”.

17 **SEC. 418. PREVENTION OF CONSULATE SHOPPING.**

18           (a) REVIEW.—The Secretary of State shall review  
19           how consular officers issue visas to determine if consular  
20           shopping is a problem.

21           (b) ACTIONS TO BE TAKEN.—If the Secretary of  
22           State determines under subsection (a) that consular shop-  
23           ping is a problem, the Secretary shall take steps to address  
24           the problem and shall submit a report to Congress describ-  
25           ing what action was taken.

1 **Subtitle C—Preservation of Immi-**  
2 **gration Benefits for Victims of**  
3 **Terrorism**

4 **SEC. 421. SPECIAL IMMIGRANT STATUS.**

5 (a) IN GENERAL.—For purposes of the Immigration  
6 and Nationality Act (8 U.S.C. 1101 et seq.), the Attorney  
7 General may provide an alien described in subsection (b)  
8 with the status of a special immigrant under section  
9 101(a)(27) of such Act (8 U.S.C. 1101(a)(27)), if the  
10 alien—

11 (1) files with the Attorney General a petition  
12 under section 204 of such Act (8 U.S.C. 1154) for  
13 classification under section 203(b)(4) of such Act (8  
14 U.S.C. 1153(b)(4)); and

15 (2) is otherwise eligible to receive an immigrant  
16 visa and is otherwise admissible to the United States  
17 for permanent residence, except in determining such  
18 admissibility, the grounds for inadmissibility speci-  
19 fied in section 212(a)(4) of such Act (8 U.S.C.  
20 1182(a)(4)) shall not apply.

21 (b) ALIENS DESCRIBED.—

22 (1) PRINCIPAL ALIENS.—An alien is described  
23 in this subsection if—

24 (A) the alien was the beneficiary of—

1 (i) a petition that was filed with the  
2 Attorney General on or before September  
3 11, 2001—

4 (I) under section 204 of the Im-  
5 migration and Nationality Act (8  
6 U.S.C. 1154) to classify the alien as  
7 a family-sponsored immigrant under  
8 section 203(a) of such Act (8 U.S.C.  
9 1153(a)) or as an employment-based  
10 immigrant under section 203(b) of  
11 such Act (8 U.S.C. 1153(b)); or

12 (II) under section 214(d) (8  
13 U.S.C. 1184(d)) of such Act to au-  
14 thorize the issuance of a non-  
15 immigrant visa to the alien under sec-  
16 tion 101(a)(15)(K) of such Act (8  
17 U.S.C. 1101(a)(15)(K)); or

18 (ii) an application for labor certifi-  
19 cation under section 212(a)(5)(A) of such  
20 Act (8 U.S.C. 1182(a)(5)(A)) that was  
21 filed under regulations of the Secretary of  
22 Labor on or before such date; and

23 (B) such petition or application was re-  
24 voked or terminated (or otherwise rendered  
25 null), either before or after its approval, due to

1 a specified terrorist activity that directly re-  
2 sulted in—

3 (i) the death or disability of the peti-  
4 tioner, applicant, or alien beneficiary; or

5 (ii) loss of employment due to physical  
6 damage to, or destruction of, the business  
7 of the petitioner or applicant.

8 (2) SPOUSES AND CHILDREN.—

9 (A) IN GENERAL.—An alien is described in  
10 this subsection if—

11 (i) the alien was, on September 10,  
12 2001, the spouse or child of a principal  
13 alien described in paragraph (1); and

14 (ii) the alien—

15 (I) is accompanying such prin-  
16 cipal alien; or

17 (II) is following to join such prin-  
18 cipal alien not later than September  
19 11, 2003.

20 (B) CONSTRUCTION.—For purposes of  
21 construing the terms “accompanying” and “fol-  
22 lowing to join” in subparagraph (A)(ii), any  
23 death of a principal alien that is described in  
24 paragraph (1)(B)(i) shall be disregarded.



1           (3) GRANDPARENTS OF ORPHANS.—An alien is  
2           described in this subsection if the alien is a grand-  
3           parent of a child, both of whose parents died as a  
4           direct result of a specified terrorist activity, if either  
5           of such deceased parents was, on September 10,  
6           2001, a citizen or national of the United States or  
7           an alien lawfully admitted for permanent residence  
8           in the United States.

9           (c) PRIORITY DATE.—Immigrant visas made avail-  
10          able under this section shall be issued to aliens in the  
11          order in which a petition on behalf of each such alien is  
12          filed with the Attorney General under subsection (a)(1),  
13          except that if an alien was assigned a priority date with  
14          respect to a petition described in subsection (b)(1)(A)(i),  
15          the alien may maintain that priority date.

16          (d) NUMERICAL LIMITATIONS.—For purposes of the  
17          application of sections 201 through 203 of the Immigra-  
18          tion and Nationality Act (8 U.S.C. 1151–1153) in any fis-  
19          cal year, aliens eligible to be provided status under this  
20          section shall be treated as special immigrants described  
21          in section 101(a)(27) of such Act (8 U.S.C. 1101(a)(27))  
22          who are not described in subparagraph (A), (B), (C), or  
23          (K) of such section.

1 **SEC. 422. EXTENSION OF FILING OR REENTRY DEADLINES.**

2 (a) AUTOMATIC EXTENSION OF NONIMMIGRANT STA-  
3 TUS.—

4 (1) IN GENERAL.—Notwithstanding section 214  
5 of the Immigration and Nationality Act (8 U.S.C.  
6 1184), in the case of an alien described in paragraph  
7 (2) who was lawfully present in the United States as  
8 a nonimmigrant on September 10, 2001, the alien  
9 may remain lawfully in the United States in the  
10 same nonimmigrant status until the later of—

11 (A) the date such lawful nonimmigrant  
12 status otherwise would have terminated if this  
13 subsection had not been enacted; or

14 (B) 1 year after the death or onset of dis-  
15 ability described in paragraph (2).

16 (2) ALIENS DESCRIBED.—

17 (A) PRINCIPAL ALIENS.—An alien is de-  
18 scribed in this paragraph if the alien was dis-  
19 abled as a direct result of a specified terrorist  
20 activity.

21 (B) SPOUSES AND CHILDREN.—An alien is  
22 described in this paragraph if the alien was, on  
23 September 10, 2001, the spouse or child of—

24 (i) a principal alien described in sub-  
25 paragraph (A); or

1                   (ii) an alien who died as a direct re-  
2                   sult of a specified terrorist activity.

3                   (3) AUTHORIZED EMPLOYMENT.—During the  
4                   period in which a principal alien or alien spouse is  
5                   in lawful nonimmigrant status under paragraph (1),  
6                   the alien shall be provided an “employment author-  
7                   ized” endorsement or other appropriate document  
8                   signifying authorization of employment not later  
9                   than 30 days after the alien requests such authoriza-  
10                  tion.

11                  (b) NEW DEADLINES FOR EXTENSION OR CHANGE  
12                  OF NONIMMIGRANT STATUS.—

13                  (1) FILING DELAYS.—In the case of an alien  
14                  who was lawfully present in the United States as a  
15                  nonimmigrant on September 10, 2001, if the alien  
16                  was prevented from filing a timely application for an  
17                  extension or change of nonimmigrant status as a di-  
18                  rect result of a specified terrorist activity, the alien’s  
19                  application shall be considered timely filed if it is  
20                  filed not later than 60 days after it otherwise would  
21                  have been due.

22                  (2) DEPARTURE DELAYS.—In the case of an  
23                  alien who was lawfully present in the United States  
24                  as a nonimmigrant on September 10, 2001, if the  
25                  alien is unable timely to depart the United States as

1 a direct result of a specified terrorist activity, the  
2 alien shall not be considered to have been unlawfully  
3 present in the United States during the period be-  
4 ginning on September 11, 2001, and ending on the  
5 date of the alien's departure, if such departure oc-  
6 curs on or before November 11, 2001.

7 (3) SPECIAL RULE FOR ALIENS UNABLE TO RE-  
8 TURN FROM ABROAD.—

9 (A) PRINCIPAL ALIENS.—In the case of an  
10 alien who was in a lawful nonimmigrant status  
11 on September 10, 2001, but who was not  
12 present in the United States on such date, if  
13 the alien was prevented from returning to the  
14 United States in order to file a timely applica-  
15 tion for an extension of nonimmigrant status as  
16 a direct result of a specified terrorist activity—

17 (i) the alien's application shall be con-  
18 sidered timely filed if it is filed not later  
19 than 60 days after it otherwise would have  
20 been due; and

21 (ii) the alien's lawful nonimmigrant  
22 status shall be considered to continue until  
23 the later of—

1 (I) the date such status otherwise  
2 would have terminated if this sub-  
3 paragraph had not been enacted; or

4 (II) the date that is 60 days  
5 after the date on which the applica-  
6 tion described in clause (i) otherwise  
7 would have been due.

8 (B) SPOUSES AND CHILDREN.—In the case  
9 of an alien who is the spouse or child of a prin-  
10 cipal alien described in subparagraph (A), if the  
11 spouse or child was in a lawful nonimmigrant  
12 status on September 10, 2001, the spouse or  
13 child may remain lawfully in the United States  
14 in the same nonimmigrant status until the later  
15 of—

16 (i) the date such lawful nonimmigrant  
17 status otherwise would have terminated if  
18 this subparagraph had not been enacted;  
19 or

20 (ii) the date that is 60 days after the  
21 date on which the application described in  
22 subparagraph (A) otherwise would have  
23 been due.

24 (4) CIRCUMSTANCES PREVENTING TIMELY AC-  
25 TION.—

1 (A) FILING DELAYS.—For purposes of  
2 paragraph (1), circumstances preventing an  
3 alien from timely acting are—

4 (i) office closures;

5 (ii) mail or courier service cessations  
6 or delays; and

7 (iii) other closures, cessations, or  
8 delays affecting case processing or travel  
9 necessary to satisfy legal requirements.

10 (B) DEPARTURE AND RETURN DELAYS.—  
11 For purposes of paragraphs (2) and (3), cir-  
12 cumstances preventing an alien from timely act-  
13 ing are—

14 (i) office closures;

15 (ii) airline flight cessations or delays;  
16 and

17 (iii) other closures, cessations, or  
18 delays affecting case processing or travel  
19 necessary to satisfy legal requirements.

20 (c) DIVERSITY IMMIGRANTS.—

21 (1) WAIVER OF FISCAL YEAR LIMITATION.—

22 Notwithstanding section 203(e)(2) of the Immigra-  
23 tion and Nationality Act (8 U.S.C. 1153(e)(2)), an  
24 immigrant visa number issued to an alien under sec-  
25 tion 203(c) of such Act for fiscal year 2001 may be

1 used by the alien during the period beginning on Oc-  
2 tober 1, 2001, and ending on April 1, 2002, if the  
3 alien establishes that the alien was prevented from  
4 using it during fiscal year 2001 as a direct result of  
5 a specified terrorist activity.

6 (2) WORLDWIDE LEVEL.—In the case of an  
7 alien entering the United States as a lawful perma-  
8 nent resident, or adjusting to that status, under  
9 paragraph (1) or (3), the alien shall be counted as  
10 a diversity immigrant for fiscal year 2001 for pur-  
11 poses of section 201(e) of the Immigration and Na-  
12 tionality Act (8 U.S.C. 1151(e)), unless the world-  
13 wide level under such section for such year has been  
14 exceeded, in which case the alien shall be counted as  
15 a diversity immigrant for fiscal year 2002.

16 (3) TREATMENT OF FAMILY MEMBERS OF CER-  
17 TAIN ALIENS.—In the case of a principal alien  
18 issued an immigrant visa number under section  
19 203(c) of the Immigration and Nationality Act (8  
20 U.S.C. 1153(c)) for fiscal year 2001, if such prin-  
21 cipal alien died as a direct result of a specified ter-  
22 rorist activity, the aliens who were, on September  
23 10, 2001, the spouse and children of such principal  
24 alien shall, until June 30, 2002, if not otherwise en-  
25 titled to an immigrant status and the immediate

1 issuance of a visa under subsection (a), (b), or (c)  
2 of section 203 of such Act, be entitled to the same  
3 status, and the same order of consideration, that  
4 would have been provided to such alien spouse or  
5 child under section 203(d) of such Act as if the prin-  
6 cipal alien were not deceased and as if the spouse  
7 or child's visa application had been adjudicated by  
8 September 30, 2001.

9 (4) CIRCUMSTANCES PREVENTING TIMELY AC-  
10 TION.—For purposes of paragraph (1), cir-  
11 cumstances preventing an alien from using an immi-  
12 grant visa number during fiscal year 2001 are—

13 (A) office closures;

14 (B) mail or courier service cessations or  
15 delays;

16 (C) airline flight cessations or delays; and

17 (D) other closures, cessations, or delays af-  
18 fecting case processing or travel necessary to  
19 satisfy legal requirements.

20 (d) EXTENSION OF EXPIRATION OF IMMIGRANT  
21 VISAS.—

22 (1) IN GENERAL.—Notwithstanding the limita-  
23 tions under section 221(e) of the Immigration and  
24 Nationality Act (8 U.S.C. 1201(e)), in the case of  
25 any immigrant visa issued to an alien that expires



1 or expired before December 31, 2001, if the alien  
2 was unable to effect entry into the United States as  
3 a direct result of a specified terrorist activity, then  
4 the period of validity of the visa is extended until  
5 December 31, 2001, unless a longer period of valid-  
6 ity is otherwise provided under this subtitle.

7 (2) CIRCUMSTANCES PREVENTING ENTRY.—For  
8 purposes of this subsection, circumstances pre-  
9 venting an alien from effecting entry into the United  
10 States are—

11 (A) office closures;

12 (B) airline flight cessations or delays; and

13 (C) other closures, cessations, or delays af-  
14 fecting case processing or travel necessary to  
15 satisfy legal requirements.

16 (e) GRANTS OF PAROLE EXTENDED.—

17 (1) IN GENERAL.—In the case of any parole  
18 granted by the Attorney General under section  
19 212(d)(5) of the Immigration and Nationality Act (8  
20 U.S.C. 1182(d)(5)) that expires on a date on or  
21 after September 11, 2001, if the alien beneficiary of  
22 the parole was unable to return to the United States  
23 prior to the expiration date as a direct result of a  
24 specified terrorist activity, the parole is deemed ex-  
25 tended for an additional 90 days.



1 rated from the citizen at the time of the citizen's  
2 death, if the citizen died as a direct result of a speci-  
3 fied terrorist activity, the alien (and each child of  
4 the alien) shall be considered, for purposes of section  
5 201(b) of such Act, to remain an immediate relative  
6 after the date of the citizen's death, but only if the  
7 alien files a petition under section 204(a)(1)(A)(ii)  
8 of such Act within 2 years after such date and only  
9 until the date the alien remarries. For purposes of  
10 such section 204(a)(1)(A)(ii), an alien granted relief  
11 under the preceding sentence shall be considered an  
12 alien spouse described in the second sentence of sec-  
13 tion 201(b)(2)(A)(i) of such Act.

14 (2) CHILDREN.—

15 (A) IN GENERAL.—In the case of an alien  
16 who was the child of a citizen of the United  
17 States at the time of the citizen's death, if the  
18 citizen died as a direct result of a specified ter-  
19 rorist activity, the alien shall be considered, for  
20 purposes of section 201(b) of the Immigration  
21 and Nationality Act (8 U.S.C. 1151(b)), to re-  
22 main an immediate relative after the date of the  
23 citizen's death (regardless of changes in age or  
24 marital status thereafter), but only if the alien

1 files a petition under subparagraph (B) within  
2 2 years after such date.

3 (B) PETITIONS.—An alien described in  
4 subparagraph (A) may file a petition with the  
5 Attorney General for classification of the alien  
6 under section 201(b)(2)(A)(i) of the Immigra-  
7 tion and Nationality Act (8 U.S.C.  
8 1151(b)(2)(A)(i)). For purposes of such Act,  
9 such a petition shall be considered a petition  
10 filed under section 204(a)(1)(A) of such Act (8  
11 U.S.C. 1154(a)(1)(A)).

12 (b) SPOUSES, CHILDREN, UNMARRIED SONS AND  
13 DAUGHTERS OF LAWFUL PERMANENT RESIDENT  
14 ALIENS.—

15 (1) IN GENERAL.—Any spouse, child, or unmar-  
16 ried son or daughter of an alien described in para-  
17 graph (3) who is included in a petition for classifica-  
18 tion as a family-sponsored immigrant under section  
19 203(a)(2) of the Immigration and Nationality Act (8  
20 U.S.C. 1153(a)(2)) that was filed by such alien be-  
21 fore September 11, 2001, shall be considered (if the  
22 spouse, child, son, or daughter has not been admit-  
23 ted or approved for lawful permanent residence by  
24 such date) a valid petitioner for preference status  
25 under such section with the same priority date as

1 that assigned prior to the death described in para-  
2 graph (3)(A). No new petition shall be required to  
3 be filed. Such spouse, child, son, or daughter may be  
4 eligible for deferred action and work authorization.

5 (2) SELF-PETITIONS.—Any spouse, child, or  
6 unmarried son or daughter of an alien described in  
7 paragraph (3) who is not a beneficiary of a petition  
8 for classification as a family-sponsored immigrant  
9 under section 203(a)(2) of the Immigration and Na-  
10 tionality Act may file a petition for such classifica-  
11 tion with the Attorney General, if the spouse, child,  
12 son, or daughter was present in the United States  
13 on September 11, 2001. Such spouse, child, son, or  
14 daughter may be eligible for deferred action and  
15 work authorization.

16 (3) ALIENS DESCRIBED.—An alien is described  
17 in this paragraph if the alien—

18 (A) died as a direct result of a specified  
19 terrorist activity; and

20 (B) on the day of such death, was lawfully  
21 admitted for permanent residence in the United  
22 States.

23 (c) APPLICATIONS FOR ADJUSTMENT OF STATUS BY  
24 SURVIVING SPOUSES AND CHILDREN OF EMPLOYMENT-  
25 BASED IMMIGRANTS.—

1           (1) IN GENERAL.—Any alien who was, on Sep-  
2           tember 10, 2001, the spouse or child of an alien de-  
3           scribed in paragraph (2), and who applied for ad-  
4           justment of status prior to the death described in  
5           paragraph (2)(A), may have such application adju-  
6           dicated as if such death had not occurred.

7           (2) ALIENS DESCRIBED.—An alien is described  
8           in this paragraph if the alien—

9                   (A) died as a direct result of a specified  
10                  terrorist activity; and

11                  (B) on the day before such death, was—

12                          (i) an alien lawfully admitted for per-  
13                          manent residence in the United States by  
14                          reason of having been allotted a visa under  
15                          section 203(b) of the Immigration and Na-  
16                          tionality Act (8 U.S.C. 1153(b)); or

17                          (ii) an applicant for adjustment of  
18                          status to that of an alien described in  
19                          clause (i), and admissible to the United  
20                          States for permanent residence.

21           (d) WAIVER OF PUBLIC CHARGE GROUNDS.—In de-  
22           termining the admissibility of any alien accorded an immi-  
23           gration benefit under this section, the grounds for inad-  
24           missibility specified in section 212(a)(4) of the Immigra-

1 tion and Nationality Act (8 U.S.C. 1182(a)(4)) shall not  
2 apply.

3 **SEC. 424. “AGE-OUT” PROTECTION FOR CHILDREN.**

4 For purposes of the administration of the Immigra-  
5 tion and Nationality Act (8 U.S.C. 1101 et seq.), in the  
6 case of an alien—

7 (1) whose 21st birthday occurs in September  
8 2001, and who is the beneficiary of a petition or ap-  
9 plication filed under such Act on or before Sep-  
10 tember 11, 2001, the alien shall be considered to be  
11 a child for 90 days after the alien’s 21st birthday  
12 for purposes of adjudicating such petition or applica-  
13 tion; and

14 (2) whose 21st birthday occurs after September  
15 2001, and who is the beneficiary of a petition or ap-  
16 plication filed under such Act on or before Sep-  
17 tember 11, 2001, the alien shall be considered to be  
18 a child for 45 days after the alien’s 21st birthday  
19 for purposes of adjudicating such petition or applica-  
20 tion.

21 **SEC. 425. TEMPORARY ADMINISTRATIVE RELIEF.**

22 The Attorney General, for humanitarian purposes or  
23 to ensure family unity, may provide temporary administra-  
24 tive relief to any alien who—

1           (1) was lawfully present in the United States on  
2           September 10, 2001;

3           (2) was on such date the spouse, parent, or  
4           child of an individual who died or was disabled as  
5           a direct result of a specified terrorist activity; and

6           (3) is not otherwise entitled to relief under any  
7           other provision of this subtitle.

8   **SEC. 426. EVIDENCE OF DEATH, DISABILITY, OR LOSS OF**  
9                                   **EMPLOYMENT.**

10          (a) **IN GENERAL.**—The Attorney General shall estab-  
11          lish appropriate standards for evidence demonstrating, for  
12          purposes of this subtitle, that any of the following oc-  
13          curred as a direct result of a specified terrorist activity:

14                 (1) Death.

15                 (2) Disability.

16                 (3) Loss of employment due to physical damage  
17          to, or destruction of, a business.

18          (b) **WAIVER OF REGULATIONS.**—The Attorney Gen-  
19          eral shall carry out subsection (a) as expeditiously as pos-  
20          sible. The Attorney General is not required to promulgate  
21          regulations prior to implementing this subtitle.



1 **SEC. 427. NO BENEFITS TO TERRORISTS OR FAMILY MEM-**  
2 **BERS OF TERRORISTS.**

3 Notwithstanding any other provision of this subtitle,  
4 nothing in this subtitle shall be construed to provide any  
5 benefit or relief to—

6 (1) any individual culpable for a specified ter-  
7 rorist activity; or

8 (2) any family member of any individual de-  
9 scribed in paragraph (1).

10 **SEC. 428. DEFINITIONS.**

11 (a) **APPLICATION OF IMMIGRATION AND NATION-**  
12 **ALITY ACT PROVISIONS.**—Except as otherwise specifically  
13 provided in this subtitle, the definitions used in the Immi-  
14 gration and Nationality Act (excluding the definitions ap-  
15 plicable exclusively to title III of such Act) shall apply in  
16 the administration of this subtitle.

17 (b) **SPECIFIED TERRORIST ACTIVITY.**—For purposes  
18 of this subtitle, the term “specified terrorist activity”  
19 means any terrorist activity conducted against the Govern-  
20 ment or the people of the United States on September 11,  
21 2001.

1 **TITLE V—REMOVING OBSTA-**  
2 **CLES TO INVESTIGATING**  
3 **TERRORISM**

4 **SEC. 501. ATTORNEY GENERAL'S AUTHORITY TO PAY RE-**  
5 **WARDS TO COMBAT TERRORISM.**

6 (a) PAYMENT OF REWARDS TO COMBAT TER-  
7 RORISM.—Funds available to the Attorney General may  
8 be used for the payment of rewards pursuant to public  
9 advertisements for assistance to the Department of Jus-  
10 tice to combat terrorism and defend the Nation against  
11 terrorist acts, in accordance with procedures and regula-  
12 tions established or issued by the Attorney General.

13 (b) CONDITIONS.—In making rewards under this  
14 section—

15 (1) no such reward of \$250,000 or more may  
16 be made or offered without the personal approval of  
17 either the Attorney General or the President;

18 (2) the Attorney General shall give written no-  
19 tice to the Chairmen and ranking minority members  
20 of the Committees on Appropriations and the Judici-  
21 ary of the Senate and of the House of Representa-  
22 tives not later than 30 days after the approval of a  
23 reward under paragraph (1);

24 (3) any executive agency or military department  
25 (as defined, respectively, in sections 105 and 102 of

1 title 5, United States Code) may provide the Attor-  
2 ney General with funds for the payment of rewards;

3 (4) neither the failure of the Attorney General  
4 to authorize a payment nor the amount authorized  
5 shall be subject to judicial review; and

6 (5) no such reward shall be subject to any per-  
7 or aggregate reward spending limitation established  
8 by law, unless that law expressly refers to this sec-  
9 tion, and no reward paid pursuant to any such offer  
10 shall count toward any such aggregate reward  
11 spending limitation.

12 **SEC. 502. SECRETARY OF STATE'S AUTHORITY TO PAY RE-**  
13 **WARDS.**

14 Section 36 of the State Department Basic Authorities  
15 Act of 1956 (Public Law 885, August 1, 1956; 22 U.S.C.  
16 2708) is amended—

17 (1) in subsection (b)—

18 (A) in paragraph (4), by striking “or” at  
19 the end;

20 (B) in paragraph (5), by striking the pe-  
21 riod at the end and inserting “, including by  
22 dismantling an organization in whole or signifi-  
23 cant part; or”; and

24 (C) by adding at the end the following:

1 “(6) the identification or location of an indi-  
2 vidual who holds a key leadership position in a ter-  
3 rorist organization.”;

4 (2) in subsection (d), by striking paragraphs  
5 (2) and (3) and redesignating paragraph (4) as  
6 paragraph (2); and

7 (3) in subsection (e)(1), by inserting “, except  
8 as personally authorized by the Secretary of State if  
9 he determines that offer or payment of an award of  
10 a larger amount is necessary to combat terrorism or  
11 defend the Nation against terrorist acts.” after  
12 “\$5,000,000”.

13 **SEC. 503. DNA IDENTIFICATION OF TERRORISTS AND**  
14 **OTHER VIOLENT OFFENDERS.**

15 Section 3(d)(2) of the DNA Analysis Backlog Elimini-  
16 nation Act of 2000 (42 U.S.C. 14135a(d)(2)) is amended  
17 to read as follows:

18 “(2) In addition to the offenses described in  
19 paragraph (1), the following offenses shall be treated  
20 for purposes of this section as qualifying Federal of-  
21 fenses, as determined by the Attorney General:

22 “(A) Any offense listed in section  
23 2332b(g)(5)(B) of title 18, United States Code.

24 “(B) Any crime of violence (as defined in  
25 section 16 of title 18, United States Code).

1                   “(C) Any attempt or conspiracy to commit  
2                   any of the above offenses.”.

3 **SEC. 504. COORDINATION WITH LAW ENFORCEMENT.**

4           (a) INFORMATION ACQUIRED FROM AN ELECTRONIC  
5 SURVEILLANCE.—Section 106 of the Foreign Intelligence  
6 Surveillance Act of 1978 (50 U.S.C. 1806), is amended  
7 by adding at the end the following:

8           “(k)(1) Federal officers who conduct electronic sur-  
9 veillance to acquire foreign intelligence information under  
10 this title may consult with Federal law enforcement offi-  
11 cers to coordinate efforts to investigate or protect  
12 against—

13                   “(A) actual or potential attack or other grave  
14 hostile acts of a foreign power or an agent of a for-  
15 eign power;

16                   “(B) sabotage or international terrorism by a  
17 foreign power or an agent of a foreign power; or

18                   “(C) clandestine intelligence activities by an in-  
19 telligence service or network of a foreign power or by  
20 an agent of a foreign power.

21           “(2) Coordination authorized under paragraph (1)  
22 shall not preclude the certification required by section  
23 104(a)(7)(B) or the entry of an order under section 105.”.

24           (b) INFORMATION ACQUIRED FROM A PHYSICAL  
25 SEARCH.—Section 305 of the Foreign Intelligence Surveil-

1 lance Act of 1978 (50 U.S.C. 1825) is amended by adding  
2 at the end the following:

3 “(k)(1) Federal officers who conduct physical  
4 searches to acquire foreign intelligence information under  
5 this title may consult with Federal law enforcement offi-  
6 cers to coordinate efforts to investigate or protect  
7 against—

8 “(A) actual or potential attack or other grave  
9 hostile acts of a foreign power or an agent of a for-  
10 eign power;

11 “(B) sabotage or international terrorism by a  
12 foreign power or an agent of a foreign power; or

13 “(C) clandestine intelligence activities by an in-  
14 telligence service or network of a foreign power or by  
15 an agent of a foreign power.

16 “(2) Coordination authorized under paragraph (1)  
17 shall not preclude the certification required by section  
18 303(a)(7) or the entry of an order under section 304.”.

19 **SEC. 505. MISCELLANEOUS NATIONAL SECURITY AUTHORI-**  
20 **TIES.**

21 (a) TELEPHONE TOLL AND TRANSACTIONAL  
22 RECORDS.—Section 2709(b) of title 18, United States  
23 Code, is amended—

24 (1) in the matter preceding paragraph (1), by  
25 inserting “at Bureau headquarters or a Special

1 Agent in Charge in a Bureau field office designated  
2 by the Director” after “Assistant Director”;

3 (2) in paragraph (1)—

4 (A) by striking “in a position not lower  
5 than Deputy Assistant Director”; and

6 (B) by striking “made that” and all that  
7 follows and inserting the following: “made that  
8 the name, address, length of service, and toll  
9 billing records sought are relevant to an author-  
10 ized investigation to protect against inter-  
11 national terrorism or clandestine intelligence ac-  
12 tivities, provided that such an investigation of a  
13 United States person is not conducted solely on  
14 the basis of activities protected by the first  
15 amendment to the Constitution of the United  
16 States; and”;

17 (3) in paragraph (2)—

18 (A) by striking “in a position not lower  
19 than Deputy Assistant Director”; and

20 (B) by striking “made that” and all that  
21 follows and inserting the following: “made that  
22 the information sought is relevant to an author-  
23 ized investigation to protect against inter-  
24 national terrorism or clandestine intelligence ac-  
25 tivities, provided that such an investigation of a

1 United States person is not conducted solely  
2 upon the basis of activities protected by the  
3 first amendment to the Constitution of the  
4 United States.”.

5 (b) FINANCIAL RECORDS.—Section 1114(a)(5)(A) of  
6 the Right to Financial Privacy Act of 1978 (12 U.S.C.  
7 3414(a)(5)(A)) is amended—

8 (1) by inserting “in a position not lower than  
9 Deputy Assistant Director at Bureau headquarters  
10 or a Special Agent in Charge in a Bureau field office  
11 designated by the Director” after “designee”; and

12 (2) by striking “sought” and all that follows  
13 and inserting “sought for foreign counter intel-  
14 ligence purposes to protect against international ter-  
15 rorism or clandestine intelligence activities, provided  
16 that such an investigation of a United States person  
17 is not conducted solely upon the basis of activities  
18 protected by the first amendment to the Constitution  
19 of the United States.”.

20 (c) CONSUMER REPORTS.—Section 624 of the Fair  
21 Credit Reporting Act (15 U.S.C. 1681u) is amended—

22 (1) in subsection (a)—

23 (A) by inserting “in a position not lower  
24 than Deputy Assistant Director at Bureau  
25 headquarters or a Special Agent in Charge of a



1 Bureau field office designated by the Director”  
2 after “designee” the first place it appears; and

3 (B) by striking “in writing that” and all  
4 that follows through the end and inserting the  
5 following: “in writing, that such information is  
6 sought for the conduct of an authorized inves-  
7 tigation to protect against international ter-  
8 rorism or clandestine intelligence activities, pro-  
9 vided that such an investigation of a United  
10 States person is not conducted solely upon the  
11 basis of activities protected by the first amend-  
12 ment to the Constitution of the United  
13 States.”;

14 (2) in subsection (b)—

15 (A) by inserting “in a position not lower  
16 than Deputy Assistant Director at Bureau  
17 headquarters or a Special Agent in Charge of a  
18 Bureau field office designated by the Director”  
19 after “designee” the first place it appears; and

20 (B) by striking “in writing that” and all  
21 that follows through the end and inserting the  
22 following: “in writing that such information is  
23 sought for the conduct of an authorized inves-  
24 tigation to protect against international ter-  
25 rorism or clandestine intelligence activities, pro-

1 vided that such an investigation of a United  
2 States person is not conducted solely upon the  
3 basis of activities protected by the first amend-  
4 ment to the Constitution of the United  
5 States.”; and

6 (3) in subsection (c)—

7 (A) by inserting “in a position not lower  
8 than Deputy Assistant Director at Bureau  
9 headquarters or a Special Agent in Charge in a  
10 Bureau field office designated by the Director”  
11 after “designee of the Director”; and

12 (B) by striking “in camera that” and all  
13 that follows through “States.” and inserting the  
14 following: “in camera that the consumer report  
15 is sought for the conduct of an authorized in-  
16 vestigation to protect against international ter-  
17 rorism or clandestine intelligence activities, pro-  
18 vided that such an investigation of a United  
19 States person is not conducted solely upon the  
20 basis of activities protected by the first amend-  
21 ment to the Constitution of the United  
22 States.”.

1 **SEC. 506. EXTENSION OF SECRET SERVICE JURISDICTION.**

2 (a) CONCURRENT JURISDICTION UNDER 18 U.S.C.  
3 1030.—Section 1030(d) of title 18, United States Code,  
4 is amended to read as follows:

5 “(d)(1) The United States Secret Service shall, in ad-  
6 dition to any other agency having such authority, have the  
7 authority to investigate offenses under this section.

8 “(2) The Federal Bureau of Investigation shall have  
9 primary authority to investigate offenses under subsection  
10 (a)(1) for any cases involving espionage, foreign counter-  
11 intelligence, information protected against unauthorized  
12 disclosure for reasons of national defense or foreign rela-  
13 tions, or Restricted Data (as that term is defined in sec-  
14 tion 11y of the Atomic Energy Act of 1954 (42 U.S.C.  
15 2014(y)), except for offenses affecting the duties of the  
16 United States Secret Service pursuant to section 3056(a)  
17 of this title.

18 “(3) Such authority shall be exercised in accordance  
19 with an agreement which shall be entered into by the Sec-  
20 retary of the Treasury and the Attorney General.”.

21 (b) REAUTHORIZATION OF JURISDICTION UNDER 18  
22 U.S.C. 1344.—Section 3056(b)(3) of title 18, United  
23 States Code, is amended by striking “credit and debit card  
24 frauds, and false identification documents or devices” and  
25 inserting “access device frauds, false identification docu-  
26 ments or devices, and any fraud or other criminal or un-

1 lawful activity in or against any federally insured financial  
2 institution”.

3 **SEC. 507. DISCLOSURE OF EDUCATIONAL RECORDS.**

4 Section 444 of the General Education Provisions Act  
5 (20 U.S.C. 1232g), is amended by adding after subsection  
6 (i) a new subsection (j) to read as follows:

7 “(j) INVESTIGATION AND PROSECUTION OF TER-  
8 RORISM.—

9 “(1) IN GENERAL.—Notwithstanding sub-  
10 sections (a) through (i) or any provision of State  
11 law, the Attorney General (or any Federal officer or  
12 employee, in a position not lower than an Assistant  
13 Attorney General, designated by the Attorney Gen-  
14 eral) may submit a written application to a court of  
15 competent jurisdiction for an ex parte order requir-  
16 ing an educational agency or institution to permit  
17 the Attorney General (or his designee) to—

18 “(A) collect education records in the pos-  
19 session of the educational agency or institution  
20 that are relevant to an authorized investigation  
21 or prosecution of an offense listed in section  
22 2332b(g)(5)(B) of title 18 United States Code,  
23 or an act of domestic or international terrorism  
24 as defined in section 2331 of that title; and

1           “(B) for official purposes related to the in-  
2           vestigation or prosecution of an offense de-  
3           scribed in paragraph (1)(A), retain, dissemi-  
4           nate, and use (including as evidence at trial or  
5           in other administrative or judicial proceedings)  
6           such records, consistent with such guidelines as  
7           the Attorney General, after consultation with  
8           the Secretary, shall issue to protect confiden-  
9           tiality.

10          “(2) APPLICATION AND APPROVAL.—

11                 “(A) IN GENERAL.—An application under  
12                 paragraph (1) shall certify that there are spe-  
13                 cific and articulable facts giving reason to be-  
14                 lieve that the education records are likely to  
15                 contain information described in paragraph  
16                 (1)(A).

17                 “(B) The court shall issue an order de-  
18                 scribed in paragraph (1) if the court finds that  
19                 the application for the order includes the certifi-  
20                 cation described in subparagraph (A).

21          “(3) PROTECTION OF EDUCATIONAL AGENCY  
22                 OR INSTITUTION.—An educational agency or institu-  
23                 tion that, in good faith, produces education records  
24                 in accordance with an order issued under this sub-

1 section shall not be liable to any person for that pro-  
2 duction.

3 “(4) RECORD-KEEPING.—Subsection (b)(4)  
4 does not apply to education records subject to a  
5 court order under this subsection.”.

6 **SEC. 508. DISCLOSURE OF INFORMATION FROM NCES SUR-**  
7 **VEYS.**

8 Section 408 of the National Education Statistics Act  
9 of 1994 (20 U.S.C. 9007), is amended by adding after  
10 subsection (b) a new subsection (c) to read as follows:

11 “(c) INVESTIGATION AND PROSECUTION OF TER-  
12 RORISM.—

13 “(1) IN GENERAL.—Notwithstanding sub-  
14 sections (a) and (b), the Attorney General (or any  
15 Federal officer or employee, in a position not lower  
16 than an Assistant Attorney General, designated by  
17 the Attorney General) may submit a written applica-  
18 tion to a court of competent jurisdiction for an ex  
19 parte order requiring the Secretary to permit the At-  
20 torney General (or his designee) to—

21 “(A) collect reports, records, and informa-  
22 tion (including individually identifiable informa-  
23 tion) in the possession of the center that are  
24 relevant to an authorized investigation or pros-  
25 ecution of an offense listed in section

1 2332b(g)(5)(B) of title 18, United States Code,  
2 or an act of domestic or international terrorism  
3 as defined in section 2331 of that title; and

4 “(B) for official purposes related to the in-  
5 vestigation or prosecution of an offense de-  
6 scribed in paragraph (1)(A), retain, dissemi-  
7 nate, and use (including as evidence at trial or  
8 in other administrative or judicial proceedings)  
9 such information, consistent with such guide-  
10 lines as the Attorney General, after consultation  
11 with the Secretary, shall issue to protect con-  
12 fidentiality.

13 “(2) APPLICATION AND APPROVAL.—

14 “(A) IN GENERAL.—An application under  
15 paragraph (1) shall certify that there are spe-  
16 cific and articulable facts giving reason to be-  
17 lieve that the information sought is described in  
18 paragraph (1)(A).

19 “(B) The court shall issue an order de-  
20 scribed in paragraph (1) if the court finds that  
21 the application for the order includes the certifi-  
22 cation described in subparagraph (A).

23 “(3) PROTECTION.—An officer or employee  
24 of the Department who, in good faith, produces  
25 information in accordance with an order issued

1 under this subsection does not violate sub-  
2 section (b)(2) and shall not be liable to any per-  
3 son for that production.”.

4 **TITLE VI—PROVIDING FOR VIC-**  
5 **TIMS OF TERRORISM, PUBLIC**  
6 **SAFETY OFFICERS, AND**  
7 **THEIR FAMILIES**  
8 **Subtitle A—Aid to Families of**  
9 **Public Safety Officers**

10 **SEC. 611. EXPEDITED PAYMENT FOR PUBLIC SAFETY OFFI-**  
11 **CERS INVOLVED IN THE PREVENTION, INVES-**  
12 **TIGATION, RESCUE, OR RECOVERY EFFORTS**  
13 **RELATED TO A TERRORIST ATTACK.**

14 (a) IN GENERAL.—Notwithstanding the limitations  
15 of subsection (b) of section 1201 or the provisions of sub-  
16 sections (c), (d), and (e) of such section or section 1202  
17 of title I of the Omnibus Crime Control and Safe Streets  
18 Act of 1968 (42 U.S.C. 3796, 3796a), upon certification  
19 (containing identification of all eligible payees of benefits  
20 pursuant to section 1201 of such Act) by a public agency  
21 that a public safety officer employed by such agency was  
22 killed or suffered a catastrophic injury producing perma-  
23 nent and total disability as a direct and proximate result  
24 of a personal injury sustained in the line of duty as de-  
25 scribed in section 1201 of such Act in connection with pre-



1 vention, investigation, rescue, or recovery efforts related  
2 to a terrorist attack, the Director of the Bureau of Justice  
3 Assistance shall authorize payment to qualified bene-  
4 ficiaries, said payment to be made not later than 30 days  
5 after receipt of such certification, benefits described under  
6 subpart 1 of part L of such Act (42 U.S.C. 3796 et seq.).

7 (b) DEFINITIONS.—For purposes of this section, the  
8 terms “catastrophic injury”, “public agency”, and “public  
9 safety officer” have the same meanings given such terms  
10 in section 1204 of title I of the Omnibus Crime Control  
11 and Safe Streets Act of 1968 (42 U.S.C. 3796b).

12 **SEC. 612. TECHNICAL CORRECTION WITH RESPECT TO EX-**  
13 **PEDITED PAYMENTS FOR HEROIC PUBLIC**  
14 **SAFETY OFFICERS.**

15 Section 1 of Public Law 107-37 (an Act to provide  
16 for the expedited payment of certain benefits for a public  
17 safety officer who was killed or suffered a catastrophic in-  
18 jury as a direct and proximate result of a personal injury  
19 sustained in the line of duty in connection with the ter-  
20 rorist attacks of September 11, 2001) is amended by—

21 (1) inserting before “by a” the following: “(con-  
22 taining identification of all eligible payees of benefits  
23 pursuant to section 1201)”;

1           (2) inserting “producing permanent and total  
2       disability” after “suffered a catastrophic injury”;  
3       and

4           (3) striking “1201(a)” and inserting “1201”.

5       **SEC. 613. PUBLIC SAFETY OFFICERS BENEFIT PROGRAM**  
6                               **PAYMENT INCREASE.**

7           (a) PAYMENTS.—Section 1201(a) of the Omnibus  
8       Crime Control and Safe Streets Act of 1968 (42 U.S.C.  
9       3796) is amended by striking “\$100,000” and inserting  
10      “\$250,000”.

11          (b) APPLICABILITY.—The amendment made by sub-  
12      section (a) shall apply to any death or disability occurring  
13      on or after January 1, 2001.

14      **SEC. 614. OFFICE OF JUSTICE PROGRAMS.**

15          Section 112 of title I of section 101(b) of division  
16      A of Public Law 105–277 and section 108(a) of appendix  
17      A of Public Law 106–113 (113 Stat. 1501A–20) are  
18      amended—

19           (1) after “that Office”, each place it occurs, by  
20      inserting “(including, notwithstanding any contrary  
21      provision of law (unless the same should expressly  
22      refer to this section), any organization that admin-  
23      isters any program established in title 1 of Public  
24      Law 90–351)”;

1           (2) by inserting “functions, including any”  
2           after “all”.

3           **Subtitle B—Amendments to the**  
4           **Victims of Crime Act of 1984**

5           **SEC. 621. CRIME VICTIMS FUND.**

6           (a) DEPOSIT OF GIFTS IN THE FUND.—Section  
7           1402(b) of the Victims of Crime Act of 1984 (42 U.S.C.  
8           10601(b)) is amended—

9           (1) in paragraph (3), by striking “and” at the  
10          end;

11          (2) in paragraph (4), by striking the period at  
12          the end and inserting “; and”; and

13          (3) by adding at the end the following:

14                 “(5) any gifts, bequests, or donations to the  
15          Fund from private entities or individuals.”.

16          (b) FORMULA FOR FUND DISTRIBUTIONS.—Section  
17          1402(c) of the Victims of Crime Act of 1984 (42 U.S.C.  
18          10601(c)) is amended to read as follows:

19                 “(c) FUND DISTRIBUTION; RETENTION OF SUMS IN  
20          FUND; AVAILABILITY FOR EXPENDITURE WITHOUT FIS-  
21          CAL YEAR LIMITATION.—

22                         “(1) Subject to the availability of money in the  
23          Fund, in each fiscal year, beginning with fiscal year  
24          2003, the Director shall distribute not less than 90  
25          percent nor more than 110 percent of the amount

1 distributed from the Fund in the previous fiscal  
2 year, except the Director may distribute up to 120  
3 percent of the amount distributed in the previous  
4 fiscal year in any fiscal year that the total amount  
5 available in the Fund is more than 2 times the  
6 amount distributed in the previous fiscal year.

7 “(2) In each fiscal year, the Director shall dis-  
8 tribute amounts from the Fund in accordance with  
9 subsection (d). All sums not distributed during a fis-  
10 cal year shall remain in reserve in the Fund to be  
11 distributed during a subsequent fiscal year. Notwith-  
12 standing any other provision of law, all sums depos-  
13 ited in the Fund that are not distributed shall re-  
14 main in reserve in the Fund for obligation in future  
15 fiscal years, without fiscal year limitation.”.

16 (c) ALLOCATION OF FUNDS FOR COSTS AND  
17 GRANTS.—Section 1402(d)(4) of the Victims of Crime Act  
18 of 1984 (42 U.S.C. 10601(d)(4)) is amended—

19 (1) by striking “deposited in” and inserting “to  
20 be distributed from”;

21 (2) in subparagraph (A), by striking “48.5”  
22 and inserting “47.5”;

23 (3) in subparagraph (B), by striking “48.5”  
24 and inserting “47.5”; and

1           (4) in subparagraph (C), by striking “3” and  
2           inserting “5”.

3           (d) ANTITERRORISM EMERGENCY RESERVE.—Sec-  
4           tion 1402(d)(5) of the Victims of Crime Act of 1984 (42  
5           U.S.C. 10601(d)(5)) is amended to read as follows:

6           “(5)(A) In addition to the amounts distributed  
7           under paragraphs (2), (3), and (4), the Director  
8           may set aside up to \$50,000,000 from the amounts  
9           transferred to the Fund in response to the airplane  
10          hijackings and terrorist acts that occurred on Sep-  
11          tember 11, 2001, as an antiterrorism emergency re-  
12          serve. The Director may replenish any amounts ex-  
13          pended from such reserve in subsequent fiscal years  
14          by setting aside up to 5 percent of the amounts re-  
15          maining in the Fund in any fiscal year after distrib-  
16          uting amounts under paragraphs (2), (3) and (4).  
17          Such reserve shall not exceed \$50,000,000.

18          “(B) The antiterrorism emergency reserve re-  
19          ferred to in subparagraph (A) may be used for sup-  
20          plemental grants under section 1404B and to pro-  
21          vide compensation to victims of international ter-  
22          rorism under section 1404C.

23          “(C) Amounts in the antiterrorism emergency  
24          reserve established pursuant to subparagraph (A)  
25          may be carried over from fiscal year to fiscal year.

1       Notwithstanding subsection (c) and section 619 of  
2       the Departments of Commerce, Justice, and State,  
3       the Judiciary, and Related Agencies Appropriations  
4       Act, 2001 (and any similar limitation on Fund obli-  
5       gations in any future Act, unless the same should  
6       expressly refer to this section), any such amounts  
7       carried over shall not be subject to any limitation on  
8       obligations from amounts deposited to or available in  
9       the Fund.”.

10       (e) VICTIMS OF SEPTEMBER 11, 2001.—Amounts  
11       transferred to the Crime Victims Fund for use in respond-  
12       ing to the airplane hijackings and terrorist acts (including  
13       any related search, rescue, relief, assistance, or other simi-  
14       lar activities) that occurred on September 11, 2001, shall  
15       not be subject to any limitation on obligations from  
16       amounts deposited to or available in the Fund,  
17       notwithstanding—

18               (1) section 619 of the Departments of Com-  
19       merce, Justice, and State, the Judiciary, and Re-  
20       lated Agencies Appropriations Act, 2001, and any  
21       similar limitation on Fund obligations in such Act  
22       for Fiscal Year 2002; and

23               (2) subsections (c) and (d) of section 1402 of  
24       the Victims of Crime Act of 1984 (42 U.S.C.  
25       10601).

1 **SEC. 622. CRIME VICTIM COMPENSATION.**

2 (a) ALLOCATION OF FUNDS FOR COMPENSATION  
3 AND ASSISTANCE.—Paragraphs (1) and (2) of section  
4 1403(a) of the Victims of Crime Act of 1984 (42 U.S.C.  
5 10602(a)) are amended by inserting “in fiscal year 2002  
6 and of 60 percent in subsequent fiscal years” after “40  
7 percent”.

8 (b) LOCATION OF COMPENSABLE CRIME.—Section  
9 1403(b)(6)(B) of the Victims of Crime Act of 1984 (42  
10 U.S.C. 10602(b)(6)(B)) is amended by striking “are out-  
11 side the United States (if the compensable crime is ter-  
12 rorism, as defined in section 2331 of title 18), or”.

13 (c) RELATIONSHIP OF CRIME VICTIM COMPENSA-  
14 TION TO MEANS-TESTED FEDERAL BENEFIT PRO-  
15 GRAMS.—Section 1403 of the Victims of Crime Act of  
16 1984 (42 U.S.C. 10602) is amended by striking subsection  
17 (c) and inserting the following:

18 “(c) EXCLUSION FROM INCOME, RESOURCES, AND  
19 ASSETS FOR PURPOSES OF MEANS TESTS.—Notwith-  
20 standing any other law (other than title IV of Public Law  
21 107–42), for the purpose of any maximum allowed income,  
22 resource, or asset eligibility requirement in any Federal,  
23 State, or local government program using Federal funds  
24 that provides medical or other assistance (or payment or  
25 reimbursement of the cost of such assistance), any amount  
26 of crime victim compensation that the applicant receives

1 through a crime victim compensation program under this  
2 section shall not be included in the income, resources, or  
3 assets of the applicant, nor shall that amount reduce the  
4 amount of the assistance available to the applicant from  
5 Federal, State, or local government programs using Fed-  
6 eral funds, unless the total amount of assistance that the  
7 applicant receives from all such programs is sufficient to  
8 fully compensate the applicant for losses suffered as a re-  
9 sult of the crime.”.

10 (d) DEFINITIONS OF “COMPENSABLE CRIME” AND  
11 “STATE”.—Section 1403(d) of the Victims of Crime Act  
12 of 1984 (42 U.S.C. 10602(d)) is amended—

13 (1) in paragraph (3), by striking “crimes in-  
14 volving terrorism,”; and

15 (2) in paragraph (4), by inserting “the United  
16 States Virgin Islands,” after “the Commonwealth of  
17 Puerto Rico,”.

18 (e) RELATIONSHIP OF ELIGIBLE CRIME VICTIM COM-  
19 PENSATION PROGRAMS TO THE SEPTEMBER 11TH VICTIM  
20 COMPENSATION FUND.—

21 (1) IN GENERAL.—Section 1403(e) of the Vic-  
22 tims of Crime Act of 1984 (42 U.S.C. 10602(e)) is  
23 amended by inserting “including the program estab-  
24 lished under title IV of Public Law 107–42,” after  
25 “Federal program,”.



1           (2) COMPENSATION.—With respect to any com-  
2           pensation payable under title IV of Public Law 107–  
3           42, the failure of a crime victim compensation pro-  
4           gram, after the effective date of final regulations  
5           issued pursuant to section 407 of Public Law 107–  
6           42, to provide compensation otherwise required pur-  
7           suant to section 1403 of the Victims of Crime Act  
8           of 1984 (42 U.S.C. 10602) shall not render that  
9           program ineligible for future grants under the Vic-  
10          tims of Crime Act of 1984.

11 **SEC. 623. CRIME VICTIM ASSISTANCE.**

12          (a) ASSISTANCE FOR VICTIMS IN THE DISTRICT OF  
13          COLUMBIA, PUERTO RICO, AND OTHER TERRITORIES  
14          AND POSSESSIONS.—Section 1404(a) of the Victims of  
15          Crime Act of 1984 (42 U.S.C. 10603(a)) is amended by  
16          adding at the end the following:

17                 “(6) An agency of the Federal Government per-  
18                 forming local law enforcement functions in and on  
19                 behalf of the District of Columbia, the Common-  
20                 wealth of Puerto Rico, the United States Virgin Is-  
21                 lands, or any other territory or possession of the  
22                 United States may qualify as an eligible crime victim  
23                 assistance program for the purpose of grants under  
24                 this subsection, or for the purpose of grants under  
25                 subsection (c)(1).”.

1 (b) PROHIBITION ON DISCRIMINATION AGAINST CER-  
2 TAIN VICTIMS.—Section 1404(b)(1) of the Victims of  
3 Crime Act of 1984 (42 U.S.C. 10603(b)(1)) is amended—

4 (1) in subparagraph (D), by striking “and” at  
5 the end;

6 (2) in subparagraph (E), by striking the period  
7 at the end and inserting “; and”; and

8 (3) by adding at the end the following:

9 “(F) does not discriminate against victims  
10 because they disagree with the way the State is  
11 prosecuting the criminal case.”.

12 (c) GRANTS FOR PROGRAM EVALUATION AND COM-  
13 PLIANCE EFFORTS.—Section 1404(c)(1)(A) of the Vic-  
14 tims of Crime Act of 1984 (42 U.S.C. 10603(c)(1)(A))  
15 is amended by inserting “, program evaluation, compliance  
16 efforts,” after “demonstration projects”.

17 (d) ALLOCATION OF DISCRETIONARY GRANTS.—Sec-  
18 tion 1404(c)(2) of the Victims of Crime Act of 1984 (42  
19 U.S.C. 10603(c)(2)) is amended—

20 (1) in subparagraph (A), by striking “not more  
21 than” and inserting “not less than”; and

22 (2) in subparagraph (B), by striking “not less  
23 than” and inserting “not more than”.

1 (e) FELLOWSHIPS AND CLINICAL INTERNSHIPS.—  
2 Section 1404(c)(3) of the Victims of Crime Act of 1984  
3 (42 U.S.C. 10603(c)(3)) is amended—

4 (1) in subparagraph (C), by striking “and” at  
5 the end;

6 (2) in subparagraph (D), by striking the period  
7 at the end and inserting “; and”; and

8 (3) by adding at the end the following:

9 “(E) use funds made available to the Di-  
10 rector under this subsection—

11 “(i) for fellowships and clinical intern-  
12 ships; and

13 “(ii) to carry out programs of training  
14 and special workshops for the presentation  
15 and dissemination of information resulting  
16 from demonstrations, surveys, and special  
17 projects.”.

18 **SEC. 624. VICTIMS OF TERRORISM.**

19 (a) COMPENSATION AND ASSISTANCE TO VICTIMS OF  
20 DOMESTIC TERRORISM.—Section 1404B(b) of the Victims  
21 of Crime Act of 1984 (42 U.S.C. 10603b(b)) is amended  
22 to read as follows:

23 “(b) VICTIMS OF TERRORISM WITHIN THE UNITED  
24 STATES.—The Director may make supplemental grants as  
25 provided in section 1402(d)(5) to States for eligible crime

1 victim compensation and assistance programs, and to vic-  
2 tim service organizations, public agencies (including Fed-  
3 eral, State, or local governments) and nongovernmental  
4 organizations that provide assistance to victims of crime,  
5 which shall be used to provide emergency relief, including  
6 crisis response efforts, assistance, compensation, training  
7 and technical assistance, and ongoing assistance, including  
8 during any investigation or prosecution, to victims of ter-  
9 rorist acts or mass violence occurring within the United  
10 States.”.

11 (b) ASSISTANCE TO VICTIMS OF INTERNATIONAL  
12 TERRORISM.—Section 1404B(a)(1) of the Victims of  
13 Crime Act of 1984 (42 U.S.C. 10603b(a)(1)) is amended  
14 by striking “who are not persons eligible for compensation  
15 under title VIII of the Omnibus Diplomatic Security and  
16 Antiterrorism Act of 1986”.

17 (c) COMPENSATION TO VICTIMS OF INTERNATIONAL  
18 TERRORISM.—Section 1404C(b) of the Victims of Crime  
19 of 1984 (42 U.S.C. 10603c(b)) is amended by adding at  
20 the end the following: “The amount of compensation  
21 awarded to a victim under this subsection shall be reduced  
22 by any amount that the victim received in connection with  
23 the same act of international terrorism under title VIII  
24 of the Omnibus Diplomatic Security and Antiterrorism  
25 Act of 1986.”.

1 **TITLE VII—INCREASED INFOR-**  
2 **MATION SHARING FOR CRIT-**  
3 **ICAL INFRASTRUCTURE PRO-**  
4 **TECTION**

5 **SEC. 701. EXPANSION OF REGIONAL INFORMATION SHAR-**  
6 **ING SYSTEM TO FACILITATE FEDERAL-STATE-**  
7 **LOCAL LAW ENFORCEMENT RESPONSE RE-**  
8 **LATED TO TERRORIST ATTACKS.**

9 Section 1301 of title I of the Omnibus Crime Control  
10 and Safe Streets Act of 1968 (42 U.S.C. 3796h) is  
11 amended—

12 (1) in subsection (a), by inserting “and ter-  
13 rorist conspiracies and activities” after “activities”;

14 (2) in subsection (b)—

15 (A) in paragraph (3), by striking “and”  
16 after the semicolon;

17 (B) by redesignating paragraph (4) as  
18 paragraph (5);

19 (C) by inserting after paragraph (3) the  
20 following:

21 “(4) establishing and operating secure informa-  
22 tion sharing systems to enhance the investigation  
23 and prosecution abilities of participating enforce-  
24 ment agencies in addressing multi-jurisdictional ter-  
25 rorist conspiracies and activities; and (5)”;

1 (3) by inserting at the end the following:

2 “(d) AUTHORIZATION OF APPROPRIATION TO THE  
3 BUREAU OF JUSTICE ASSISTANCE.—There are authorized  
4 to be appropriated to the Bureau of Justice Assistance  
5 to carry out this section \$50,000,000 for fiscal year 2002  
6 and \$100,000,000 for fiscal year 2003.”.

7 **TITLE VIII—STRENGTHENING**  
8 **THE CRIMINAL LAWS**  
9 **AGAINST TERRORISM**

10 **SEC. 801. TERRORIST ATTACKS AND OTHER ACTS OF VIO-**  
11 **LENCE AGAINST MASS TRANSPORTATION**  
12 **SYSTEMS.**

13 Chapter 97 of title 18, United States Code, is amend-  
14 ed by adding at the end the following:

15 **“§ 1993. Terrorist attacks and other acts of violence**  
16 **against mass transportation systems**

17 “(a) GENERAL PROHIBITIONS.—Whoever willfully—

18 “(1) wrecks, derails, sets fire to, or disables a  
19 mass transportation vehicle or ferry;

20 “(2) places or causes to be placed any biological  
21 agent or toxin for use as a weapon, destructive sub-  
22 stance, or destructive device in, upon, or near a  
23 mass transportation vehicle or ferry, without pre-  
24 viously obtaining the permission of the mass trans-  
25 portation provider, and with intent to endanger the

1 safety of any passenger or employee of the mass  
2 transportation provider, or with a reckless disregard  
3 for the safety of human life;

4 “(3) sets fire to, or places any biological agent  
5 or toxin for use as a weapon, destructive substance,  
6 or destructive device in, upon, or near any garage,  
7 terminal, structure, supply, or facility used in the  
8 operation of, or in support of the operation of, a  
9 mass transportation vehicle or ferry, without pre-  
10 viously obtaining the permission of the mass trans-  
11 portation provider, and knowing or having reason to  
12 know such activity would likely derail, disable, or  
13 wreck a mass transportation vehicle or ferry used,  
14 operated, or employed by the mass transportation  
15 provider;

16 “(4) removes appurtenances from, damages, or  
17 otherwise impairs the operation of a mass transpor-  
18 tation signal system, including a train control sys-  
19 tem, centralized dispatching system, or rail grade  
20 crossing warning signal without authorization from  
21 the mass transportation provider;

22 “(5) interferes with, disables, or incapacitates  
23 any dispatcher, driver, captain, or person while they  
24 are employed in dispatching, operating, or maintain-  
25 ing a mass transportation vehicle or ferry, with in-

1 tent to endanger the safety of any passenger or em-  
2 ployee of the mass transportation provider, or with  
3 a reckless disregard for the safety of human life;

4 “(6) commits an act, including the use of a  
5 dangerous weapon, with the intent to cause death or  
6 serious bodily injury to an employee or passenger of  
7 a mass transportation provider or any other person  
8 while any of the foregoing are on the property of a  
9 mass transportation provider;

10 “(7) conveys or causes to be conveyed false in-  
11 formation, knowing the information to be false, con-  
12 cerning an attempt or alleged attempt being made or  
13 to be made, to do any act which would be a crime  
14 prohibited by this subsection; or

15 “(8) attempts, threatens, or conspires to do any  
16 of the aforesaid acts,

17 shall be fined under this title or imprisoned not more than  
18 twenty years, or both, if such act is committed, or in the  
19 case of a threat or conspiracy such act would be com-  
20 mitted, on, against, or affecting a mass transportation  
21 provider engaged in or affecting interstate or foreign com-  
22 merce, or if in the course of committing such act, that  
23 person travels or communicates across a State line in  
24 order to commit such act, or transports materials across  
25 a State line in aid of the commission of such act.



1       “(b) AGGRAVATED OFFENSE.—Whoever commits an  
2 offense under subsection (a) in a circumstance in which—

3               “(1) the mass transportation vehicle or ferry  
4 was carrying a passenger at the time of the offense;  
5 or

6               “(2) the offense has resulted in the death of  
7 any person,

8 shall be guilty of an aggravated form of the offense and  
9 shall be fined under this title or imprisoned for a term  
10 of years or for life, or both.

11       “(c) DEFINITIONS.—In this section—

12               “(1) the term ‘biological agent’ has the meaning  
13 given to that term in section 178(1) of this title;

14               “(2) the term ‘dangerous weapon’ has the  
15 meaning given to that term in section 930 of this  
16 title;

17               “(3) the term ‘destructive device’ has the mean-  
18 ing given to that term in section 921(a)(4) of this  
19 title;

20               “(4) the term ‘destructive substance’ has the  
21 meaning given to that term in section 31 of this  
22 title;

23               “(5) the term ‘mass transportation’ has the  
24 meaning given to that term in section 5302(a)(7) of  
25 title 49, United States Code, except that the term

1 shall include schoolbus, charter, and sightseeing  
2 transportation;

3 “(6) the term ‘serious bodily injury’ has the  
4 meaning given to that term in section 1365 of this  
5 title;

6 “(7) the term ‘State’ has the meaning given to  
7 that term in section 2266 of this title; and

8 “(8) the term ‘toxin’ has the meaning given to  
9 that term in section 178(2) of this title.”.

10 (f) CONFORMING AMENDMENT.—The analysis of  
11 chapter 97 of title 18, United States Code, is amended  
12 by adding at the end:

“1993. Terrorist attacks and other acts of violence against mass transportation systems.”.

13 **SEC. 802. DEFINITION OF DOMESTIC TERRORISM.**

14 (a) DOMESTIC TERRORISM DEFINED.—Section 2331  
15 of title 18, United States Code, is amended—

16 (1) in paragraph (1)(B)(iii), by striking “by as-  
17 sassination or kidnapping” and inserting “by mass  
18 destruction, assassination, or kidnapping”;

19 (2) in paragraph (3), by striking “and”;

20 (3) in paragraph (4), by striking the period at  
21 the end and inserting “; and”; and

22 (4) by adding at the end the following:

23 “(5) the term ‘domestic terrorism’ means activi-  
24 ties that—

1           “(A) involve acts dangerous to human life  
2           that are a violation of the criminal laws of the  
3           United States or of any State;

4           “(B) appear to be intended—

5                 “(i) to intimidate or coerce a civilian  
6                 population;

7                 “(ii) to influence the policy of a gov-  
8                 ernment by intimidation or coercion; or

9                 “(iii) to affect the conduct of a gov-  
10                ernment by mass destruction, assassina-  
11                tion, or kidnapping; and

12           “(C) occur primarily within the territorial  
13           jurisdiction of the United States.”.

14           (b) CONFORMING AMENDMENT.—Section 3077(1) of  
15           title 18, United States Code, is amended to read as fol-  
16           lows:

17                 “(1) ‘act of terrorism’ means an act of domestic  
18                 or international terrorism as defined in section  
19                 2331;”.

20           **SEC. 803. PROHIBITION AGAINST HARBORING TERRORISTS.**

21           (a) IN GENERAL.—Chapter 113B of title 18, United  
22           States Code, is amended by adding after section 2338 the  
23           following new section:

1 **“§ 2339. Harboring or concealing terrorists**

2       “(a) Whoever harbors or conceals any person who he  
3 knows, or has reasonable grounds to believe, has com-  
4 mitted, or is about to commit, an offense under section  
5 32 (relating to destruction of aircraft or aircraft facilities),  
6 section 175 (relating to biological weapons), section 229  
7 (relating to chemical weapons), section 831 (relating to  
8 nuclear materials), paragraph (2) or (3) of section 844(f)  
9 (relating to arson and bombing of government property  
10 risking or causing injury or death), section 1366(a) (relat-  
11 ing to the destruction of an energy facility), section 2280  
12 (relating to violence against maritime navigation), section  
13 2332a (relating to weapons of mass destruction), or sec-  
14 tion 2332b (relating to acts of terrorism transcending na-  
15 tional boundaries) of this title, section 236(a) (relating to  
16 sabotage of nuclear facilities or fuel) of the Atomic Energy  
17 Act of 1954 (42 U.S.C. 2284(a)), or section 46502 (relat-  
18 ing to aircraft piracy) of title 49, shall be fined under this  
19 title or imprisoned not more than ten years, or both.”.

20       “(b) A violation of this section may be prosecuted in  
21 any Federal judicial district in which the underlying of-  
22 fense was committed, or in any other Federal judicial dis-  
23 trict as provided by law.”.

24       (b) TECHNICAL AMENDMENT.—The chapter analysis  
25 for chapter 113B of title 18, United States Code, is

1 amended by inserting after the item for section 2338 the  
2 following:

“2339. Harboring or concealing terrorists.”.

3 **SEC. 804. JURISDICTION OVER CRIMES COMMITTED AT U.S.**  
4 **FACILITIES ABROAD.**

5 Section 7 of title 18, United States Code, is amended  
6 by adding at the end the following:

7 “(9) With respect to offenses committed by or  
8 against a national of the United States as that term  
9 is used in section 101 of the Immigration and Na-  
10 tionality Act—

11 “(A) the premises of United States diplo-  
12 matic, consular, military or other United States  
13 Government missions or entities in foreign  
14 States, including the buildings, parts of build-  
15 ings, and land appurtenant or ancillary thereto  
16 or used for purposes of those missions or enti-  
17 ties, irrespective of ownership; and

18 “(B) residences in foreign States and the  
19 land appurtenant or ancillary thereto, irrespec-  
20 tive of ownership, used for purposes of those  
21 missions or entities or used by United States  
22 personnel assigned to those missions or entities.

23 Nothing in this paragraph shall be deemed to super-  
24 sede any treaty or international agreement with  
25 which this paragraph conflicts. This paragraph does

1 not apply with respect to an offense committed by  
2 a person described in section 3261(a) of this title.”.

3 **SEC. 805. MATERIAL SUPPORT FOR TERRORISM.**

4 (a) IN GENERAL.—Section 2339A of title 18, United  
5 States Code, is amended—

6 (1) in subsection (a)—

7 (A) by striking “, within the United  
8 States,”;

9 (B) by inserting “229,” after “175,”;

10 (C) by inserting “1993,” after “1992,”;

11 (D) by inserting “, section 236 of the  
12 Atomic Energy Act of 1954 (42 U.S.C. 2284),”  
13 after “of this title”;

14 (E) by inserting “or 60123(b)” after  
15 “46502”; and

16 (F) by inserting at the end the following:  
17 “A violation of this section may be prosecuted  
18 in any Federal judicial district in which the un-  
19 derlying offense was committed, or in any other  
20 Federal judicial district as provided by law.”;  
21 and

22 (2) in subsection (b)—

23 (A) by striking “or other financial securi-  
24 ties” and inserting “or monetary instruments  
25 or financial securities”; and

1 (B) by inserting “expert advice or assist-  
2 ance,” after “training.”

3 (b) TECHNICAL AMENDMENT.—Section  
4 1956(c)(7)(D) of title 18, United States Code, is amended  
5 by inserting “or 2339B” after “2339A”.

6 **SEC. 806. ASSETS OF TERRORIST ORGANIZATIONS.**

7 Section 981(a)(1) of title 18, United States Code, is  
8 amended by inserting at the end the following:

9 “(G) All assets, foreign or domestic—

10 “(i) of any individual, entity, or organiza-  
11 tion engaged in planning or perpetrating any  
12 act of domestic or international terrorism (as  
13 defined in section 2331) against the United  
14 States, citizens or residents of the United  
15 States, or their property, and all assets, foreign  
16 or domestic, affording any person a source of  
17 influence over any such entity or organization;

18 “(ii) acquired or maintained by any person  
19 with the intent and for the purpose of sup-  
20 porting, planning, conducting, or concealing an  
21 act of domestic or international terrorism (as  
22 defined in section 2331) against the United  
23 States, citizens or residents of the United  
24 States, or their property; or

1           “(iii) derived from, involved in, or used or  
2           intended to be used to commit any act of do-  
3           mestic or international terrorism (as defined in  
4           section 2331) against the United States, citi-  
5           zens or residents of the United States, or their  
6           property.”.

7   **SEC. 807. TECHNICAL CLARIFICATION RELATING TO PROVI-**  
8                   **SION OF MATERIAL SUPPORT TO TER-**  
9                   **RORISM.**

10       No provision of the Trade Sanctions Reform and Ex-  
11       port Enhancement Act of 2000 (title IX of Public Law  
12       106–387) shall be construed to limit or otherwise affect  
13       section 2339A or 2339B of title 18, United States Code.

14   **SEC. 808. DEFINITION OF FEDERAL CRIME OF TERRORISM.**

15       Section 2332b of title 18, United States Code, is  
16       amended—

17           (1) in subsection (f), by inserting “and any vio-  
18           lation of section 351(e), 844(e), 844(f)(1), 956(b),  
19           1361, 1366(b), 1366(c), 1751(e), 2152, or 2156 of  
20           this title,” before “and the Secretary”; and

21           (2) in subsection (g)(5)(B), by striking clauses  
22           (i) through (iii) and inserting the following:

23                   “(i) section 32 (relating to destruction  
24                   of aircraft or aircraft facilities), 37 (relat-  
25                   ing to violence at international airports),



1 81 (relating to arson within special mari-  
2 time and territorial jurisdiction), 175 or  
3 175b (relating to biological weapons), 229  
4 (relating to chemical weapons), subsection  
5 (a), (b), (c), or (d) of section 351 (relating  
6 to congressional, cabinet, and Supreme  
7 Court assassination and kidnaping), 831  
8 (relating to nuclear materials), 842(m) or  
9 (n) (relating to plastic explosives),  
10 844(f)(2) or (3) (relating to arson and  
11 bombing of Government property risking  
12 or causing death), 844(i) (relating to arson  
13 and bombing of property used in interstate  
14 commerce), 930(c) (relating to killing or  
15 attempted killing during an attack on a  
16 Federal facility with a dangerous weapon),  
17 956(a)(1) (relating to conspiracy to mur-  
18 der, kidnap, or maim persons abroad),  
19 1030(a)(1) (relating to protection of com-  
20 puters), 1030(a)(5)(A)(i) resulting in dam-  
21 age as defined in 1030(a)(5)(B)(ii)  
22 through (v) (relating to protection of com-  
23 puters), 1114 (relating to killing or at-  
24 tempted killing of officers and employees of  
25 the United States), 1116 (relating to mur-

1 der or manslaughter of foreign officials, of-  
2 ficial guests, or internationally protected  
3 persons), 1203 (relating to hostage tak-  
4 ing), 1362 (relating to destruction of com-  
5 munication lines, stations, or systems),  
6 1363 (relating to injury to buildings or  
7 property within special maritime and terri-  
8 torial jurisdiction of the United States),  
9 1366(a) (relating to destruction of an en-  
10 ergy facility), 1751(a), (b), (c), or (d) (re-  
11 lating to Presidential and Presidential staff  
12 assassination and kidnaping), 1992 (relat-  
13 ing to wrecking trains), 1993 (relating to  
14 terrorist attacks and other acts of violence  
15 against mass transportation systems),  
16 2155 (relating to destruction of national  
17 defense materials, premises, or utilities),  
18 2280 (relating to violence against maritime  
19 navigation), 2281 (relating to violence  
20 against maritime fixed platforms), 2332  
21 (relating to certain homicides and other vi-  
22 olence against United States nationals oc-  
23 ccurring outside of the United States),  
24 2332a (relating to use of weapons of mass  
25 destruction), 2332b (relating to acts of ter-

1 rorism transcending national boundaries),  
2 2339 (relating to harboring terrorists),  
3 2339A (relating to providing material sup-  
4 port to terrorists), 2339B (relating to pro-  
5 viding material support to terrorist organi-  
6 zations), or 2340A (relating to torture) of  
7 this title;

8 “(ii) section 236 (relating to sabotage  
9 of nuclear facilities or fuel) of the Atomic  
10 Energy Act of 1954 (42 U.S.C. 2284); or

11 “(iii) section 46502 (relating to air-  
12 craft piracy), the second sentence of sec-  
13 tion 46504 (relating to assault on a flight  
14 crew with a dangerous weapon), section  
15 46505(b)(3) or (c) (relating to explosive or  
16 incendiary devices, or endangerment of  
17 human life by means of weapons, on air-  
18 craft), section 46506 if homicide or at-  
19 tempted homicide is involved (relating to  
20 application of certain criminal laws to acts  
21 on aircraft), or section 60123(b) (relating  
22 to destruction of interstate gas or haz-  
23 ardous liquid pipeline facility) of title 49.”.

1 **SEC. 809. NO STATUTE OF LIMITATION FOR CERTAIN TER-**  
2 **RORISM OFFENSES.**

3 (a) IN GENERAL.—Section 3286 of title 18, United  
4 States Code, is amended to read as follows:

5 **“§ 3286. Extension of statute of limitation for certain**  
6 **terrorism offenses**

7 “(a) EIGHT-YEAR LIMITATION.—Notwithstanding  
8 section 3282, no person shall be prosecuted, tried, or pun-  
9 ished for any noncapital offense involving a violation of  
10 any provision listed in section 2332b(g)(5)(B), or a viola-  
11 tion of section 112, 351(e), 1361, or 1751(e) of this title,  
12 or section 46504, 46505, or 46506 of title 49, unless the  
13 indictment is found or the information is instituted within  
14 8 years after the offense was committed. Notwithstanding  
15 the preceding sentence, offenses listed in section 3295 are  
16 subject to the statute of limitations set forth in that sec-  
17 tion.

18 “(b) NO LIMITATION.—Notwithstanding any other  
19 law, an indictment may be found or an information insti-  
20 tuted at any time without limitation for any offense listed  
21 in section 2332b(g)(5)(B), if the commission of such of-  
22 fense resulted in, or created a foreseeable risk of, death  
23 or serious bodily injury to another person.”.

24 (b) APPLICATION.—The amendments made by this  
25 section shall apply to the prosecution of any offense com-

1 mitted before, on, or after the date of the enactment of  
2 this section.

3 **SEC. 810. ALTERNATE MAXIMUM PENALTIES FOR TER-**  
4 **RORISM OFFENSES.**

5 (a) ARSON.—Section 81 of title 18, United States  
6 Code, is amended in the second undesignated paragraph  
7 by striking “not more than twenty years” and inserting  
8 “for any term of years or for life”.

9 (b) DESTRUCTION OF AN ENERGY FACILITY.—Sec-  
10 tion 1366 of title 18, United States Code, is amended—

11 (1) in subsection (a), by striking “ten” and in-  
12 serting “20”; and

13 (2) by adding at the end the following:

14 “(d) Whoever is convicted of a violation of subsection  
15 (a) or (b) that has resulted in the death of any person  
16 shall be subject to imprisonment for any term of years  
17 or life.”.

18 (c) MATERIAL SUPPORT TO TERRORISTS.—Section  
19 2339A(a) of title 18, United States Code, is amended—

20 (1) by striking “10” and inserting “15”; and

21 (2) by striking the period and inserting “, and,  
22 if the death of any person results, shall be impris-  
23 oned for any term of years or for life.”.

1 (d) MATERIAL SUPPORT TO DESIGNATED FOREIGN  
2 TERRORIST ORGANIZATIONS.—Section 2339B(a)(1) of  
3 title 18, United States Code, is amended—

4 (1) by striking “10” and inserting “15”; and

5 (2) by striking the period after “or both” and  
6 inserting “, and, if the death of any person results,  
7 shall be imprisoned for any term of years or for  
8 life.”.

9 (e) DESTRUCTION OF NATIONAL-DEFENSE MATE-  
10 RIALS.—Section 2155(a) of title 18, United States Code,  
11 is amended—

12 (1) by striking “ten” and inserting “20”; and

13 (2) by striking the period at the end and insert-  
14 ing “, and, if death results to any person, shall be  
15 imprisoned for any term of years or for life.”.

16 (f) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—  
17 Section 236 of the Atomic Energy Act of 1954 (42 U.S.C.  
18 2284), is amended—

19 (1) by striking “ten” each place it appears and  
20 inserting “20”;

21 (2) in subsection (a), by striking the period at  
22 the end and inserting “, and, if death results to any  
23 person, shall be imprisoned for any term of years or  
24 for life.”; and

1           (3) in subsection (b), by striking the period at  
2           the end and inserting “, and, if death results to any  
3           person, shall be imprisoned for any term of years or  
4           for life.”.

5           (g) SPECIAL AIRCRAFT JURISDICTION OF THE  
6 UNITED STATES.—Section 46505(c) of title 49, United  
7 States Code, is amended—

8           (1) by striking “15” and inserting “20”; and

9           (2) by striking the period at the end and insert-  
10          ing “, and, if death results to any person, shall be  
11          imprisoned for any term of years or for life.”.

12          (h) DAMAGING OR DESTROYING AN INTERSTATE GAS  
13 OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section  
14 60123(b) of title 49, United States Code, is amended—

15          (1) by striking “15” and inserting “20”; and

16          (2) by striking the period at the end and insert-  
17          ing “, and, if death results to any person, shall be  
18          imprisoned for any term of years or for life.”.

19 **SEC. 811. PENALTIES FOR TERRORIST CONSPIRACIES.**

20          (a) ARSON.—Section 81 of title 18, United States  
21 Code, is amended in the first undesignated paragraph—

22          (1) by striking “, or attempts to set fire to or  
23          burn”; and

24          (2) by inserting “or attempts or conspires to do  
25          such an act,” before “shall be imprisoned”.

1 (b) KILLINGS IN FEDERAL FACILITIES.—Section  
2 930(c) of title 18, United States Code, is amended—

3 (1) by striking “or attempts to kill”;

4 (2) by inserting “or attempts or conspires to do  
5 such an act,” before “shall be punished”; and

6 (3) by striking “and 1113” and inserting  
7 “1113, and 1117”.

8 (c) COMMUNICATIONS LINES, STATIONS, OR SYS-  
9 TEMS.—Section 1362 of title 18, United States Code, is  
10 amended in the first undesignated paragraph—

11 (1) by striking “or attempts willfully or mali-  
12 ciously to injure or destroy”; and

13 (2) by inserting “or attempts or conspires to do  
14 such an act,” before “shall be fined”.

15 (d) BUILDINGS OR PROPERTY WITHIN SPECIAL  
16 MARITIME AND TERRITORIAL JURISDICTION.—Section  
17 1363 of title 18, United States Code, is amended—

18 (1) by striking “or attempts to destroy or in-  
19 jure”; and

20 (2) by inserting “or attempts or conspires to do  
21 such an act,” before “shall be fined” the first place  
22 it appears.

23 (e) WRECKING TRAINS.—Section 1992 of title 18,  
24 United States Code, is amended by adding at the end the  
25 following:



1       “(c) A person who conspires to commit any offense  
2 defined in this section shall be subject to the same pen-  
3 alties (other than the penalty of death) as the penalties  
4 prescribed for the offense, the commission of which was  
5 the object of the conspiracy.”.

6       (f) MATERIAL SUPPORT TO TERRORISTS.—Section  
7 2339A of title 18, United States Code, is amended by in-  
8 serting “or attempts or conspires to do such an act,” be-  
9 fore “shall be fined”.

10       (g) TORTURE.—Section 2340A of title 18, United  
11 States Code, is amended by adding at the end the fol-  
12 lowing:

13       “(c) CONSPIRACY.—A person who conspires to com-  
14 mit an offense under this section shall be subject to the  
15 same penalties (other than the penalty of death) as the  
16 penalties prescribed for the offense, the commission of  
17 which was the object of the conspiracy.”.

18       (h) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—  
19 Section 236 of the Atomic Energy Act of 1954 (42 U.S.C.  
20 2284), is amended—

21               (1) in subsection (a)—

22                       (A) by striking “, or who intentionally and  
23 willfully attempts to destroy or cause physical  
24 damage to”;

1 (B) in paragraph (4), by striking the pe-  
2 riod at the end and inserting a comma; and

3 (C) by inserting “or attempts or conspires  
4 to do such an act,” before “shall be fined”; and  
5 (2) in subsection (b)—

6 (A) by striking “or attempts to cause”;  
7 and

8 (B) by inserting “or attempts or conspires  
9 to do such an act,” before “shall be fined”.

10 (i) INTERFERENCE WITH FLIGHT CREW MEMBERS  
11 AND ATTENDANTS.—Section 46504 of title 49, United  
12 States Code, is amended by inserting “or attempts or con-  
13 spires to do such an act,” before “shall be fined”.

14 (j) SPECIAL AIRCRAFT JURISDICTION OF THE  
15 UNITED STATES.—Section 46505 of title 49, United  
16 States Code, is amended by adding at the end the fol-  
17 lowing:

18 “(e) CONSPIRACY.—If two or more persons conspire  
19 to violate subsection (b) or (c), and one or more of such  
20 persons do any act to effect the object of the conspiracy,  
21 each of the parties to such conspiracy shall be punished  
22 as provided in such subsection.”.

23 (k) DAMAGING OR DESTROYING AN INTERSTATE GAS  
24 OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section  
25 60123(b) of title 49, United States Code, is amended—

1           (1) by striking “, or attempting to damage or  
2           destroy,”; and

3           (2) by inserting “, or attempting or conspiring  
4           to do such an act,” before “shall be fined”.

5 **SEC. 812. POST-RELEASE SUPERVISION OF TERRORISTS.**

6           Section 3583 of title 18, United States Code, is  
7           amended by adding at the end the following:

8           “(j) SUPERVISED RELEASE TERMS FOR TERRORISM  
9           PREDICATES.—Notwithstanding subsection (b), the au-  
10          thorized term of supervised release for any offense listed  
11          in section 2332b(g)(5)(B), the commission of which re-  
12          sulted in, or created a foreseeable risk of, death or serious  
13          bodily injury to another person, is any term of years or  
14          life.”.

15 **SEC. 813. INCLUSION OF ACTS OF TERRORISM AS RACKET-**  
16 **EERING ACTIVITY.**

17          Section 1961(1) of title 18, United States Code, is  
18          amended—

19                 (1) by striking “or (F)” and inserting “(F)”;  
20                 and

21                 (2) by inserting before the semicolon at the end  
22                 the following: “, or (G) any act that is indictable  
23                 under any provision listed in section  
24                 2332b(g)(5)(B)”.

1 **SEC. 814. DETERRENCE AND PREVENTION OF**  
2 **CYBERTERRORISM.**

3 (a) CLARIFICATION OF PROTECTION OF PROTECTED  
4 COMPUTERS.—Section 1030(a)(5) of title 18, United  
5 States Code, is amended—

6 (1) by inserting “(i)” after “(A)”;

7 (2) by redesignating subparagraphs (B) and  
8 (C) as clauses (ii) and (iii), respectively;

9 (3) by adding “and” at the end of clause (iii),  
10 as so redesignated; and

11 (4) by adding at the end the following:

12 “(B) by conduct described in clause (i),  
13 (ii), or (iii) of subparagraph (A), caused (or, in  
14 the case of an attempted offense, would, if com-  
15 pleted, have caused)—

16 “(i) loss to 1 or more persons during  
17 any 1-year period (and, for purposes of an  
18 investigation, prosecution, or other pro-  
19 ceeding brought by the United States only,  
20 loss resulting from a related course of con-  
21 duct affecting 1 or more other protected  
22 computers) aggregating at least \$5,000 in  
23 value;

24 “(ii) the modification or impairment,  
25 or potential modification or impairment, of

1 the medical examination, diagnosis, treat-  
2 ment, or care of 1 or more individuals;  
3 “(iii) physical injury to any person;  
4 “(iv) a threat to public health or safe-  
5 ty; or  
6 “(v) damage affecting a computer sys-  
7 tem used by or for a government entity in  
8 furtherance of the administration of jus-  
9 tice, national defense, or national secu-  
10 rity;”.

11 (b) PROTECTION FROM EXTORTION.—Section  
12 1030(a)(7) of title 18, United States Code, is amended  
13 by striking “, firm, association, educational institution, fi-  
14 nancial institution, government entity, or other legal enti-  
15 ty,”.

16 (c) PENALTIES.—Section 1030(c) of title 18, United  
17 States Code, is amended—

18 (1) in paragraph (2)—

19 (A) in subparagraph (A) —

20 (i) by inserting “except as provided in  
21 subparagraph (B),” before “a fine”;

22 (ii) by striking “(a)(5)(C)” and in-  
23 serting “(a)(5)(A)(iii)”;

24 (iii) by striking “and’ at the end;

1 (B) in subparagraph (B), by inserting “or  
2 an attempt to commit an offense punishable  
3 under this subparagraph,” after “subsection  
4 (a)(2),” in the matter preceding clause (i); and

5 (C) in subparagraph (C), by striking  
6 “and” at the end;

7 (2) in paragraph (3)—

8 (A) by striking “, (a)(5)(A), (a)(5)(B),”  
9 both places it appears; and

10 (B) by striking “(a)(5)(C)” and inserting  
11 “(a)(5)(A)(iii)”;

12 (3) by adding at the end the following:

13 “(4)(A) a fine under this title, imprisonment  
14 for not more than 10 years, or both, in the case of  
15 an offense under subsection (a)(5)(A)(i), or an at-  
16 tempt to commit an offense punishable under that  
17 subsection;

18 “(B) a fine under this title, imprisonment for  
19 not more than 5 years, or both, in the case of an  
20 offense under subsection (a)(5)(A)(ii), or an attempt  
21 to commit an offense punishable under that sub-  
22 section;

23 “(C) a fine under this title, imprisonment for  
24 not more than 20 years, or both, in the case of an  
25 offense under subsection (a)(5)(A)(i) or

1 (a)(5)(A)(ii), or an attempt to commit an offense  
2 punishable under either subsection, that occurs after  
3 a conviction for another offense under this section.”.

4 (d) DEFINITIONS.—Section 1030(e) of title 18,  
5 United States Code is amended—

6 (1) in paragraph (2)(B), by inserting “, includ-  
7 ing a computer located outside the United States  
8 that is used in a manner that affects interstate or  
9 foreign commerce or communication of the United  
10 States” before the semicolon;

11 (2) in paragraph (7), by striking “and” at the  
12 end;

13 (3) by striking paragraph (8) and inserting the  
14 following:

15 “(8) the term ‘damage’ means any impairment  
16 to the integrity or availability of data, a program, a  
17 system, or information;”;

18 (4) in paragraph (9), by striking the period at  
19 the end and inserting a semicolon; and

20 (5) by adding at the end the following:

21 “(10) the term ‘conviction’ shall include a con-  
22 viction under the law of any State for a crime pun-  
23 ishable by imprisonment for more than 1 year, an  
24 element of which is unauthorized access, or exceed-  
25 ing authorized access, to a computer;

1           “(11) the term ‘loss’ means any reasonable cost  
2           to any victim, including the cost of responding to an  
3           offense, conducting a damage assessment, and re-  
4           storing the data, program, system, or information to  
5           its condition prior to the offense, and any revenue  
6           lost, cost incurred, or other consequential damages  
7           incurred because of interruption of service; and

8           “(12) the term ‘person’ means any individual,  
9           firm, corporation, educational institution, financial  
10          institution, governmental entity, or legal or other en-  
11          tity.”.

12          (e) DAMAGES IN CIVIL ACTIONS.—Section 1030(g)  
13 of title 18, United States Code is amended—

14           (1) by striking the second sentence and insert-  
15           ing the following: “A civil action for a violation of  
16           this section may be brought only if the conduct in-  
17           volves 1 of the factors set forth in clause (i), (ii),  
18           (iii), (iv), or (v) of subsection (a)(5)(B). Damages  
19           for a violation involving only conduct described in  
20           subsection (a)(5)(B)(i) are limited to economic dam-  
21           ages.”; and

22           (2) by adding at the end the following: “No ac-  
23           tion may be brought under this subsection for the  
24           negligent design or manufacture of computer hard-  
25           ware, computer software, or firmware.”.



1 (f) AMENDMENT OF SENTENCING GUIDELINES RE-  
2 LATING TO CERTAIN COMPUTER FRAUD AND ABUSE.—  
3 Pursuant to its authority under section 994(p) of title 28,  
4 United States Code, the United States Sentencing Com-  
5 mission shall amend the Federal sentencing guidelines to  
6 ensure that any individual convicted of a violation of sec-  
7 tion 1030 of title 18, United States Code, can be subjected  
8 to appropriate penalties, without regard to any mandatory  
9 minimum term of imprisonment.

10 **SEC. 815. ADDITIONAL DEFENSE TO CIVIL ACTIONS RELAT-**  
11 **ING TO PRESERVING RECORDS IN RESPONSE**  
12 **TO GOVERNMENT REQUESTS.**

13 Section 2707(e)(1) of title 18, United States Code,  
14 is amended by inserting after “or statutory authorization”  
15 the following: “(including a request of a governmental en-  
16 tity under section 2703(f) of this title)”.

17 **SEC. 816. DEVELOPMENT AND SUPPORT OF**  
18 **CYBERSECURITY FORENSIC CAPABILITIES.**

19 (a) IN GENERAL.—The Attorney General shall estab-  
20 lish such regional computer forensic laboratories as the  
21 Attorney General considers appropriate, and provide sup-  
22 port to existing computer forensic laboratories, in order  
23 that all such computer forensic laboratories have the  
24 capability—

1           (1) to provide forensic examinations with re-  
2           spect to seized or intercepted computer evidence re-  
3           lating to criminal activity (including cyberterrorism);

4           (2) to provide training and education for Fed-  
5           eral, State, and local law enforcement personnel and  
6           prosecutors regarding investigations, forensic anal-  
7           yses, and prosecutions of computer-related crime (in-  
8           cluding cyberterrorism);

9           (3) to assist Federal, State, and local law en-  
10          forcement in enforcing Federal, State, and local  
11          criminal laws relating to computer-related crime;

12          (4) to facilitate and promote the sharing of  
13          Federal law enforcement expertise and information  
14          about the investigation, analysis, and prosecution of  
15          computer-related crime with State and local law en-  
16          forcement personnel and prosecutors, including the  
17          use of multijurisdictional task forces; and

18          (5) to carry out such other activities as the At-  
19          torney General considers appropriate.

20          (b) AUTHORIZATION OF APPROPRIATIONS.—

21           (1) AUTHORIZATION.—There is hereby author-  
22           ized to be appropriated in each fiscal year  
23           \$50,000,000 for purposes of carrying out this sec-  
24           tion.

1           (2) AVAILABILITY.—Amounts appropriated pur-  
2           suant to the authorization of appropriations in para-  
3           graph (1) shall remain available until expended.

4 **SEC. 817. EXPANSION OF THE BIOLOGICAL WEAPONS STAT-**  
5 **UTE.**

6           Chapter 10 of title 18, United States Code, is  
7 amended—

8           (1) in section 175—

9           (A) in subsection (b)—

10                   (i) by striking “does not include” and  
11                   inserting “includes”;

12                   (ii) by inserting “other than” after  
13                   “system for”; and

14                   (iii) by inserting “bona fide research”  
15                   after “protective”;

16           (B) by redesignating subsection (b) as sub-  
17           section (c); and

18           (C) by inserting after subsection (a) the  
19           following:

20           “(b) ADDITIONAL OFFENSE.—Whoever knowingly  
21 possesses any biological agent, toxin, or delivery system  
22 of a type or in a quantity that, under the circumstances,  
23 is not reasonably justified by a prophylactic, protective,  
24 bona fide research, or other peaceful purpose, shall be  
25 fined under this title, imprisoned not more than 10 years,

1 or both. In this subsection, the terms ‘biological agent’ and  
2 ‘toxin’ do not encompass any biological agent or toxin that  
3 is in its naturally occurring environment, if the biological  
4 agent or toxin has not been cultivated, collected, or other-  
5 wise extracted from its natural source.”;

6 (2) by inserting after section 175a the fol-  
7 lowing:

8 **“SEC. 175b. POSSESSION BY RESTRICTED PERSONS.**

9 “(a) No restricted person described in subsection (b)  
10 shall ship or transport interstate or foreign commerce, or  
11 possess in or affecting commerce, any biological agent or  
12 toxin, or receive any biological agent or toxin that has been  
13 shipped or transported in interstate or foreign commerce,  
14 if the biological agent or toxin is listed as a select agent  
15 in subsection (j) of section 72.6 of title 42, Code of Fed-  
16 eral Regulations, pursuant to section 511(d)(l) of the  
17 Antiterrorism and Effective Death Penalty Act of 1996  
18 (Public Law 104–132), and is not exempted under sub-  
19 section (h) of such section 72.6, or appendix A of part  
20 72 of the Code of Regulations.

21 “(b) In this section:

22 “(1) The term ‘select agent’ does not include  
23 any such biological agent or toxin that is in its natu-  
24 rally-occurring environment, if the biological agent

1 or toxin has not been cultivated, collected, or other-  
2 wise extracted from its natural source.

3 “(2) The term ‘restricted person’ means an individual  
4 who—

5 “(A) is under indictment for a crime pun-  
6 ishable by imprisonment for a term exceeding 1  
7 year;

8 “(B) has been convicted in any court of a  
9 crime punishable by imprisonment for a term  
10 exceeding 1 year;

11 “(C) is a fugitive from justice;

12 “(D) is an unlawful user of any controlled  
13 substance (as defined in section 102 of the Con-  
14 trolled Substances Act (21 U.S.C. 802));

15 “(E) is an alien illegally or unlawfully in  
16 the United States;

17 “(F) has been adjudicated as a mental de-  
18 fective or has been committed to any mental in-  
19 stitution;

20 “(G) is an alien (other than an alien law-  
21 fully admitted for permanent residence) who is  
22 a national of a country as to which the Sec-  
23 retary of State, pursuant to section 6(j) of the  
24 Export Administration Act of 1979 (50 U.S.C.  
25 App. 2405(j)), section 620A of chapter 1 of

1 part M of the Foreign Assistance Act of 1961  
2 (22 U.S.C. 2371), or section 40(d) of chapter  
3 of the Arms Export Control Act (22 U.S.C.  
4 2780(d)), has made a determination (that re-  
5 mains in effect) that such country has repeat-  
6 edly provided support for acts of international  
7 terrorism; or

8 “(H) has been discharged from the Armed  
9 Services of the United States under dishonor-  
10 able conditions.

11 “(3) The term ‘alien’ has the same meaning as  
12 in section 1010(a)(3) of the Immigration and Na-  
13 tionality Act (8 U.S.C. 1101(a)(3)).

14 “(4) The term ‘lawfully admitted for permanent  
15 residence’ has the same meaning as in section  
16 101(a)(20) of the Immigration and Nationality Act  
17 (8 U.S.C. 1101(a)(20)).

18 “(c) Whoever knowingly violates this section shall be  
19 fined as provided in this title, imprisoned not more than  
20 10 years, or both, but the prohibition contained in this  
21 section shall not apply with respect to any duly authorized  
22 United States governmental activity.”; and

23 (3) in the chapter analysis, by inserting after  
24 the item relating to section 175a the following:

“175b. Possession by restricted persons.”.

1                   **TITLE IX—IMPROVED**  
2                   **INTELLIGENCE**

3 **SEC. 901. RESPONSIBILITIES OF DIRECTOR OF CENTRAL**  
4                   **INTELLIGENCE REGARDING FOREIGN INTEL-**  
5                   **LIGENCE COLLECTED UNDER FOREIGN IN-**  
6                   **TELLIGENCE SURVEILLANCE ACT OF 1978.**

7           Section 103(c) of the National Security Act of 1947  
8 (50 U.S.C. 403–3(c)) is amended—

9                   (1) by redesignating paragraphs (6) and (7) as  
10                  paragraphs (7) and (8), respectively; and

11                  (2) by inserting after paragraph (5) the fol-  
12                  lowing new paragraph (6):

13                  “(6) establish requirements and priorities for  
14                  foreign intelligence information to be collected under  
15                  the Foreign Intelligence Surveillance Act of 1978  
16                  (50 U.S.C. 1801 et seq.), and provide assistance to  
17                  the Attorney General to ensure that information de-  
18                  rived from electronic surveillance or physical  
19                  searches under that Act is disseminated so it may be  
20                  used efficiently and effectively for foreign intel-  
21                  ligence purposes, except that the Director shall have  
22                  no authority to direct, manage, or undertake elec-  
23                  tronic surveillance or physical search operations pur-  
24                  suant to that Act unless otherwise authorized by  
25                  statute or executive order;”.

1 **SEC. 902. INCLUSION OF INTERNATIONAL TERRORIST AC-**  
2 **TIVITIES WITHIN SCOPE OF FOREIGN INTEL-**  
3 **LIGENCE UNDER NATIONAL SECURITY ACT**  
4 **OF 1947.**

5 Section 3 of the National Security Act of 1947 (50  
6 U.S.C. 401a) is amended—

7 (1) in paragraph (2), by inserting before the pe-  
8 riod the following: “, or international terrorist activi-  
9 ties”; and

10 (2) in paragraph (3), by striking “and activities  
11 conducted” and inserting “, and activities con-  
12 ducted,”.

13 **SEC. 903. SENSE OF CONGRESS ON THE ESTABLISHMENT**  
14 **AND MAINTENANCE OF INTELLIGENCE RELA-**  
15 **TIONSHIPS TO ACQUIRE INFORMATION ON**  
16 **TERRORISTS AND TERRORIST ORGANIZA-**  
17 **TIONS.**

18 It is the sense of Congress that officers and employ-  
19 ees of the intelligence community of the Federal Govern-  
20 ment, acting within the course of their official duties,  
21 should be encouraged, and should make every effort, to  
22 establish and maintain intelligence relationships with any  
23 person, entity, or group for the purpose of engaging in  
24 lawful intelligence activities, including the acquisition of  
25 information on the identity, location, finances, affiliations,  
26 capabilities, plans, or intentions of a terrorist or terrorist



1 organization, or information on any other person, entity,  
2 or group (including a foreign government) engaged in har-  
3 boring, comforting, financing, aiding, or assisting a ter-  
4 rorist or terrorist organization.

5 **SEC. 904. TEMPORARY AUTHORITY TO DEFER SUBMITTAL**  
6 **TO CONGRESS OF REPORTS ON INTEL-**  
7 **LIGENCE AND INTELLIGENCE-RELATED MAT-**  
8 **TERS.**

9 (a) **AUTHORITY TO DEFER.**—The Secretary of De-  
10 fense, Attorney General, and Director of Central Intel-  
11 ligence each may, during the effective period of this sec-  
12 tion, defer the date of submittal to Congress of any cov-  
13 ered intelligence report under the jurisdiction of such offi-  
14 cial until February 1, 2002.

15 (b) **COVERED INTELLIGENCE REPORT.**—Except as  
16 provided in subsection (c), for purposes of subsection (a),  
17 a covered intelligence report is as follows:

18 (1) Any report on intelligence or intelligence-re-  
19 lated activities of the United States Government  
20 that is required to be submitted to Congress by an  
21 element of the intelligence community during the ef-  
22 fective period of this section.

23 (2) Any report or other matter that is required  
24 to be submitted to the Select Committee on Intel-  
25 ligence of the Senate and Permanent Select Com-

1       mittee on Intelligence of the House of Representa-  
2       tives by the Department of Defense or the Depart-  
3       ment of Justice during the effective period of this  
4       section.

5       (c) EXCEPTION FOR CERTAIN REPORTS.—For pur-  
6       poses of subsection (a), any report required by section 502  
7       or 503 of the National Security Act of 1947 (50 U.S.C.  
8       413a, 413b) is not a covered intelligence report.

9       (d) NOTICE TO CONGRESS.—Upon deferring the date  
10      of submittal to Congress of a covered intelligence report  
11      under subsection (a), the official deferring the date of sub-  
12      mittal of the covered intelligence report shall submit to  
13      Congress notice of the deferral. Notice of deferral of a re-  
14      port shall specify the provision of law, if any, under which  
15      the report would otherwise be submitted to Congress.

16      (e) EXTENSION OF DEFERRAL.—(1) Each official  
17      specified in subsection (a) may defer the date of submittal  
18      to Congress of a covered intelligence report under the ju-  
19      risdiction of such official to a date after February 1, 2002,  
20      if such official submits to the committees of Congress  
21      specified in subsection (b)(2) before February 1, 2002, a  
22      certification that preparation and submittal of the covered  
23      intelligence report on February 1, 2002, will impede the  
24      work of officers or employees who are engaged in  
25      counterterrorism activities.

1           (2) A certification under paragraph (1) with respect  
2 to a covered intelligence report shall specify the date on  
3 which the covered intelligence report will be submitted to  
4 Congress.

5           (f) **EFFECTIVE PERIOD.**—The effective period of this  
6 section is the period beginning on the date of the enact-  
7 ment of this Act and ending on February 1, 2002.

8           (g) **ELEMENT OF THE INTELLIGENCE COMMUNITY**  
9 **DEFINED.**—In this section, the term “element of the intel-  
10 ligence community” means any element of the intelligence  
11 community specified or designated under section 3(4) of  
12 the National Security Act of 1947 (50 U.S.C. 401a(4)).

13 **SEC. 905. DISCLOSURE TO DIRECTOR OF CENTRAL INTEL-**  
14 **LIGENCE OF FOREIGN INTELLIGENCE-RE-**  
15 **LATED INFORMATION WITH RESPECT TO**  
16 **CRIMINAL INVESTIGATIONS.**

17           (a) **IN GENERAL.**—Title I of the National Security  
18 Act of 1947 (50 U.S.C. 402 et seq.) is amended—

19                   (1) by redesignating subsection 105B as section  
20 105C; and

21                   (2) by inserting after section 105A the fol-  
22 lowing new section 105B:

1 “DISCLOSURE OF FOREIGN INTELLIGENCE ACQUIRED IN  
2 CRIMINAL INVESTIGATIONS; NOTICE OF CRIMINAL  
3 INVESTIGATIONS OF FOREIGN INTELLIGENCE  
4 SOURCES

5 “SEC. 105B. (a) DISCLOSURE OF FOREIGN INTEL-  
6 LIGENCE.—(1) Except as otherwise provided by law and  
7 subject to paragraph (2), the Attorney General, or the  
8 head of any other department or agency of the Federal  
9 Government with law enforcement responsibilities, shall  
10 expeditiously disclose to the Director of Central Intel-  
11 ligence, pursuant to guidelines developed by the Attorney  
12 General in consultation with the Director, foreign intel-  
13 ligence acquired by an element of the Department of Jus-  
14 tice or an element of such department or agency, as the  
15 case may be, in the course of a criminal investigation.

16 “(2) The Attorney General by regulation and in con-  
17 sultation with the Director of Central Intelligence may  
18 provide for exceptions to the applicability of paragraph (1)  
19 for one or more classes of foreign intelligence, or foreign  
20 intelligence with respect to one or more targets or matters,  
21 if the Attorney General determines that disclosure of such  
22 foreign intelligence under that paragraph would jeopardize  
23 an ongoing law enforcement investigation or impair other  
24 significant law enforcement interests.

1           “(b) PROCEDURES FOR NOTICE OF CRIMINAL INVES-  
2 TIGATIONS.—Not later than 180 days after the date of  
3 enactment of this section, the Attorney General, in con-  
4 sultation with the Director of Central Intelligence, shall  
5 develop guidelines to ensure that after receipt of a report  
6 from an element of the intelligence community of activity  
7 of a foreign intelligence source or potential foreign intel-  
8 ligence source that may warrant investigation as criminal  
9 activity, the Attorney General provides notice to the Direc-  
10 tor of Central Intelligence, within a reasonable period of  
11 time, of his intention to commence, or decline to com-  
12 mence, a criminal investigation of such activity.

13           “(c) PROCEDURES.—The Attorney General shall de-  
14 velop procedures for the administration of this section, in-  
15 cluding the disclosure of foreign intelligence by elements  
16 of the Department of Justice, and elements of other de-  
17 partments and agencies of the Federal Government, under  
18 subsection (a) and the provision of notice with respect to  
19 criminal investigations under subsection (b).”.

20           (b) CLERICAL AMENDMENT.—The table of contents  
21 in the first section of that Act is amended by striking the  
22 item relating to section 105B and inserting the following  
23 new items:

“Sec. 105B. Disclosure of foreign intelligence acquired in criminal investiga-  
tions; notice of criminal investigations of foreign intelligence  
sources.

“Sec. 105C. Protection of the operational files of the National Imagery and  
Mapping Agency.”.

1 **SEC. 906. FOREIGN TERRORIST ASSET TRACKING CENTER.**

2 (a) REPORT ON RECONFIGURATION.—Not later than  
3 February 1, 2002, the Attorney General, the Director of  
4 Central Intelligence, and the Secretary of the Treasury  
5 shall jointly submit to Congress a report on the feasibility  
6 and desirability of reconfiguring the Foreign Terrorist  
7 Asset Tracking Center and the Office of Foreign Assets  
8 Control of the Department of the Treasury in order to  
9 establish a capability to provide for the effective and effi-  
10 cient analysis and dissemination of foreign intelligence re-  
11 lating to the financial capabilities and resources of inter-  
12 national terrorist organizations.

13 (b) REPORT REQUIREMENTS.—(1) In preparing the  
14 report under subsection (a), the Attorney General, the  
15 Secretary, and the Director shall consider whether, and  
16 to what extent, the capacities and resources of the Finan-  
17 cial Crimes Enforcement Center of the Department of the  
18 Treasury may be integrated into the capability con-  
19 templated by the report.

20 (2) If the Attorney General, Secretary, and the Direc-  
21 tor determine that it is feasible and desirable to undertake  
22 the reconfiguration described in subsection (a) in order to  
23 establish the capability described in that subsection, the  
24 Attorney General, the Secretary, and the Director shall  
25 include with the report under that subsection a detailed  
26 proposal for legislation to achieve the reconfiguration.

1 **SEC. 907. NATIONAL VIRTUAL TRANSLATION CENTER.**

2 (a) REPORT ON ESTABLISHMENT.—(1) Not later  
3 than February 1, 2002, the Director of Central Intel-  
4 ligence shall, in consultation with the Director of the Fed-  
5 eral Bureau of Investigation, submit to the appropriate  
6 committees of Congress a report on the establishment and  
7 maintenance within the intelligence community of an ele-  
8 ment for purposes of providing timely and accurate trans-  
9 lations of foreign intelligence for all other elements of the  
10 intelligence community. In the report, the element shall  
11 be referred to as the “National Virtual Translation Cen-  
12 ter”.

13 (2) The report on the element described in paragraph  
14 (1) shall discuss the use of state-of-the-art communica-  
15 tions technology, the integration of existing translation ca-  
16 pabilities in the intelligence community, and the utilization  
17 of remote-connection capacities so as to minimize the need  
18 for a central physical facility for the element.

19 (b) RESOURCES.—The report on the element required  
20 by subsection (a) shall address the following:

21 (1) The assignment to the element of a staff of  
22 individuals possessing a broad range of linguistic  
23 and translation skills appropriate for the purposes of  
24 the element.

25 (2) The provision to the element of communica-  
26 tions capabilities and systems that are commensu-

1 rate with the most current and sophisticated com-  
2 munications capabilities and systems available to  
3 other elements of intelligence community.

4 (3) The assurance, to the maximum extent  
5 practicable, that the communications capabilities and  
6 systems provided to the element will be compatible  
7 with communications capabilities and systems uti-  
8 lized by the Federal Bureau of Investigation in se-  
9 curing timely and accurate translations of foreign  
10 language materials for law enforcement investiga-  
11 tions.

12 (4) The development of a communications in-  
13 frastructure to ensure the efficient and secure use of  
14 the translation capabilities of the element.

15 (c) SECURE COMMUNICATIONS.—The report shall in-  
16 clude a discussion of the creation of secure electronic com-  
17 munications between the element described by subsection  
18 (a) and the other elements of the intelligence community.

19 (d) DEFINITIONS.—In this section:

20 (1) FOREIGN INTELLIGENCE.—The term “for-  
21 eign intelligence” has the meaning given that term  
22 in section 3(2) of the National Security Act of 1947  
23 (50 U.S.C. 401a(2)).

24 (2) ELEMENT OF THE INTELLIGENCE COMMU-  
25 NITY.—The term “element of the intelligence com-



1 community” means any element of the intelligence com-  
2 munity specified or designated under section 3(4) of  
3 the National Security Act of 1947 (50 U.S.C.  
4 401a(4)).

5 **SEC. 908. TRAINING OF GOVERNMENT OFFICIALS REGARD-**  
6 **ING IDENTIFICATION AND USE OF FOREIGN**  
7 **INTELLIGENCE.**

8 (a) PROGRAM REQUIRED.—The Attorney General  
9 shall, in consultation with the Director of Central Intel-  
10 ligence, carry out a program to provide appropriate train-  
11 ing to officials described in subsection (b) in order to as-  
12 sist such officials in—

13 (1) identifying foreign intelligence information  
14 in the course of their duties; and

15 (2) utilizing foreign intelligence information in  
16 the course of their duties, to the extent that the uti-  
17 lization of such information is appropriate for such  
18 duties.

19 (b) OFFICIALS.—The officials provided training  
20 under subsection (a) are, at the discretion of the Attorney  
21 General and the Director, the following:

22 (1) Officials of the Federal Government who  
23 are not ordinarily engaged in the collection, dissemi-  
24 nation, and use of foreign intelligence in the per-  
25 formance of their duties.

1           (2) Officials of State and local governments  
2           who encounter, or may encounter in the course of a  
3           terrorist event, foreign intelligence in the perform-  
4           ance of their duties.

5           (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
6           hereby authorized to be appropriated for the Department  
7           of Justice such sums as may be necessary for purposes  
8           of carrying out the program required by subsection (a).

## 9           **TITLE X—MISCELLANEOUS**

### 10          **SEC. 1001. REVIEW OF THE DEPARTMENT OF JUSTICE.**

11          The Inspector General of the Department of Justice  
12          shall designate one official who shall—

13                 (1) review information and receive complaints  
14                 alleging abuses of civil rights and civil liberties by  
15                 employees and officials of the Department of Jus-  
16                 tice;

17                 (2) make public through the Internet, radio, tel-  
18                 evision, and newspaper advertisements information  
19                 on the responsibilities and functions of, and how to  
20                 contact, the official; and

21                 (3) submit to the Committee on the Judiciary  
22                 of the House of Representatives and the Committee  
23                 on the Judiciary of the Senate on a semi-annual  
24                 basis a report on the implementation of this sub-  
25                 section and detailing any abuses described in para-

1 graph (1), including a description of the use of  
2 funds appropriations used to carry out this sub-  
3 section.

4 **SEC. 1002. SENSE OF CONGRESS.**

5 (a) FINDINGS.—Congress finds that—

6 (1) all Americans are united in condemning, in  
7 the strongest possible terms, the terrorists who  
8 planned and carried out the attacks against the  
9 United States on September 11, 2001, and in pur-  
10 suing all those responsible for those attacks and  
11 their sponsors until they are brought to justice;

12 (2) Sikh-Americans form a vibrant, peaceful,  
13 and law-abiding part of America’s people;

14 (3) approximately 500,000 Sikhs reside in the  
15 United States and are a vital part of the Nation;

16 (4) Sikh-Americans stand resolutely in support  
17 of the commitment of our Government to bring the  
18 terrorists and those that harbor them to justice;

19 (5) the Sikh faith is a distinct religion with a  
20 distinct religious and ethnic identity that has its own  
21 places of worship and a distinct holy text and reli-  
22 gious tenets;

23 (6) many Sikh-Americans, who are easily rec-  
24 ognizable by their turbans and beards, which are re-  
25 quired articles of their faith, have suffered both

1 verbal and physical assaults as a result of misguided  
2 anger toward Arab-Americans and Muslim-Ameri-  
3 cans in the wake of the September 11, 2001 ter-  
4 rorist attack;

5 (7) Sikh-Americans, as do all Americans, con-  
6 demn acts of prejudice against any American; and

7 (8) Congress is seriously concerned by the num-  
8 ber of crimes against Sikh-Americans and other  
9 Americans all across the Nation that have been re-  
10 ported in the wake of the tragic events that unfolded  
11 on September 11, 2001.

12 (b) SENSE OF CONGRESS.—Congress—

13 (1) declares that, in the quest to identify, lo-  
14 cate, and bring to justice the perpetrators and spon-  
15 sors of the terrorist attacks on the United States on  
16 September 11, 2001, the civil rights and civil lib-  
17 erties of all Americans, including Sikh-Americans,  
18 should be protected;

19 (2) condemns bigotry and any acts of violence  
20 or discrimination against any Americans, including  
21 Sikh-Americans;

22 (3) calls upon local and Federal law enforce-  
23 ment authorities to work to prevent crimes against  
24 all Americans, including Sikh-Americans; and

1           (4) calls upon local and Federal law enforce-  
2           ment authorities to prosecute to the fullest extent of  
3           the law all those who commit crimes.

4 **SEC. 1003. DEFINITION OF “ELECTRONIC SURVEILLANCE”.**

5           Section 101(f)(2) of the Foreign Intelligence Surveil-  
6           lance Act (50 U.S.C. 1801(f)(2)) is amended by adding  
7           at the end before the semicolon the following: “, but does  
8           not include the acquisition of those communications of  
9           computer trespassers that would be permissible under sec-  
10          tion 2511(2)(i) of title 18, United States Code”.

11 **SEC. 1004. VENUE IN MONEY LAUNDERING CASES.**

12          Section 1956 of title 18, United States Code, is  
13          amended by adding at the end the following:

14          “(i) VENUE.—(1) Except as provided in paragraph  
15          (2), a prosecution for an offense under this section or sec-  
16          tion 1957 may be brought in—

17                 “(A) any district in which the financial or mon-  
18                 etary transaction is conducted; or

19                 “(B) any district where a prosecution for the  
20                 underlying specified unlawful activity could be  
21                 brought, if the defendant participated in the transfer  
22                 of the proceeds of the specified unlawful activity  
23                 from that district to the district where the financial  
24                 or monetary transaction is conducted.

1       “(2) A prosecution for an attempt or conspiracy of-  
2 fense under this section or section 1957 may be brought  
3 in the district where venue would lie for the completed of-  
4 fense under paragraph (1), or in any other district where  
5 an act in furtherance of the attempt or conspiracy took  
6 place.

7       “(3) For purposes of this section, a transfer of funds  
8 from 1 place to another, by wire or any other means, shall  
9 constitute a single, continuing transaction. Any person  
10 who conducts (as that term is defined in subsection (c)(2))  
11 any portion of the transaction may be charged in any dis-  
12 trict in which the transaction takes place.”.

13 **SEC. 1005. FIRST RESPONDERS ASSISTANCE ACT.**

14       (a) GRANT AUTHORIZATION.—The Attorney General  
15 shall make grants described in subsections (b) and (c) to  
16 States and units of local government to improve the ability  
17 of State and local law enforcement, fire department and  
18 first responders to respond to and prevent acts of ter-  
19 rorism.

20       (b) TERRORISM PREVENTION GRANTS.—Terrorism  
21 prevention grants under this subsection may be used for  
22 programs, projects, and other activities to—

23               (1) hire additional law enforcement personnel  
24       dedicated to intelligence gathering and analysis func-

1 tions, including the formation of full-time intel-  
2 ligence and analysis units;

3 (2) purchase technology and equipment for in-  
4 telligence gathering and analysis functions, including  
5 wire-tap, pen links, cameras, and computer hard-  
6 ware and software;

7 (3) purchase equipment for responding to a  
8 critical incident, including protective equipment for  
9 patrol officers such as quick masks;

10 (4) purchase equipment for managing a critical  
11 incident, such as communications equipment for im-  
12 proved interoperability among surrounding jurisdic-  
13 tions and mobile command posts for overall scene  
14 management; and

15 (5) fund technical assistance programs that em-  
16 phasize coordination among neighboring law enforce-  
17 ment agencies for sharing resources, and resources  
18 coordination among law enforcement agencies for  
19 combining intelligence gathering and analysis func-  
20 tions, and the development of policy, procedures,  
21 memorandums of understanding, and other best  
22 practices.

23 (c) ANTITERRORISM TRAINING GRANTS.—  
24 Antiterrorism training grants under this subsection may

1 be used for programs, projects, and other activities to  
2 address—

3 (1) intelligence gathering and analysis tech-  
4 niques;

5 (2) community engagement and outreach;

6 (3) critical incident management for all forms  
7 of terrorist attack;

8 (4) threat assessment capabilities;

9 (5) conducting followup investigations; and

10 (6) stabilizing a community after a terrorist in-  
11 cident.

12 (d) APPLICATION.—

13 (1) IN GENERAL.—Each eligible entity that de-  
14 sires to receive a grant under this section shall sub-  
15 mit an application to the Attorney General, at such  
16 time, in such manner, and accompanied by such ad-  
17 ditional information as the Attorney General may  
18 reasonably require.

19 (2) CONTENTS.—Each application submitted  
20 pursuant to paragraph (1) shall—

21 (A) describe the activities for which assist-  
22 ance under this section is sought; and

23 (B) provide such additional assurances as  
24 the Attorney General determines to be essential



1 to ensure compliance with the requirements of  
2 this section.

3 (e) MINIMUM AMOUNT.—If all applications submitted  
4 by a State or units of local government within that State  
5 have not been funded under this section in any fiscal year,  
6 that State, if it qualifies, and the units of local government  
7 within that State, shall receive in that fiscal year not less  
8 than 0.5 percent of the total amount appropriated in that  
9 fiscal year for grants under this section.

10 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated \$25,000,000 for each  
12 of the fiscal years 2003 through 2007.

13 **SEC. 1006. INADMISSIBILITY OF ALIENS ENGAGED IN**  
14 **MONEY LAUNDERING.**

15 (a) AMENDMENT TO IMMIGRATION AND NATION-  
16 ALITY ACT.—Section 212(a)(2) of the Immigration and  
17 Nationality Act (8 U.S.C. 1182(a)(2)) is amended by add-  
18 ing at the end the following:

19 “(I) MONEY LAUNDERING.—Any alien—  
20 “(i) who a consular officer or the At-  
21 torney General knows, or has reason to be-  
22 lieve, has engaged, is engaging, or seeks to  
23 enter the United States to engage, in an  
24 offense which is described in section 1956  
25 or 1957 of title 18, United States Code

1 (relating to laundering of monetary instru-  
2 ments); or

3 “(ii) who a consular officer or the At-  
4 torney General knows is, or has been, a  
5 knowing aider, abettor, assister, con-  
6 spirator, or colluder with others in an of-  
7 fense which is described in such section;  
8 is inadmissible.”.

9 (b) **MONEY LAUNDERING WATCHLIST.**—Not later  
10 than 90 days after the date of the enactment of this Act,  
11 the Secretary of State shall develop, implement, and cer-  
12 tify to the Congress that there has been established a  
13 money laundering watchlist, which identifies individuals  
14 worldwide who are known or suspected of money laun-  
15 dering, which is readily accessible to, and shall be checked  
16 by, a consular or other Federal official prior to the  
17 issuance of a visa or admission to the United States. The  
18 Secretary of State shall develop and continually update the  
19 watchlist in cooperation with the Attorney General, the  
20 Secretary of the Treasury, and the Director of Central In-  
21 telligence.

22 **SEC. 1007. AUTHORIZATION OF FUNDS FOR DEA POLICE**  
23 **TRAINING IN SOUTH AND CENTRAL ASIA.**

24 In addition to amounts otherwise available to carry  
25 out section 481 of the Foreign Assistance Act of 1961 (22

1 U.S.C. 2291), there is authorized to be appropriated to  
2 the President not less than \$5,000,000 for fiscal year  
3 2002 for regional antidrug training in the Republic of  
4 Turkey by the Drug Enforcement Administration for po-  
5 lice, as well as increased precursor chemical control efforts  
6 in the South and Central Asia region.

7 **SEC. 1008. FEASIBILITY STUDY ON USE OF BIOMETRIC**  
8 **IDENTIFIER SCANNING SYSTEM WITH AC-**  
9 **CESS TO THE FBI INTEGRATED AUTOMATED**  
10 **FINGERPRINT IDENTIFICATION SYSTEM AT**  
11 **OVERSEAS CONSULAR POSTS AND POINTS OF**  
12 **ENTRY TO THE UNITED STATES.**

13 (a) IN GENERAL.—The Attorney General, in con-  
14 sultation with the Secretary of State and the Secretary  
15 of Transportation, shall conduct a study on the feasibility  
16 of utilizing a biometric identifier (fingerprint) scanning  
17 system, with access to the database of the Federal Bureau  
18 of Investigation Integrated Automated Fingerprint Identi-  
19 fication System, at consular offices abroad and at points  
20 of entry into the United States to enhance the ability of  
21 State Department and immigration officials to identify  
22 aliens who may be wanted in connection with criminal or  
23 terrorist investigations in the United States or abroad  
24 prior to the issuance of visas or entry into the United  
25 States.

1 (b) REPORT TO CONGRESS.—Not later than 90 days  
2 after the date of the enactment of this Act, the Attorney  
3 General shall submit a report summarizing the findings  
4 of the study authorized under subsection (a) to the Com-  
5 mittee on International Relations and the Committee on  
6 the Judiciary of the House of Representatives and the  
7 Committee on Foreign Relations and the Committee on  
8 the Judiciary of the Senate.

9 **SEC. 1009. STUDY OF ACCESS.**

10 (a) IN GENERAL.—Not later than 120 days after en-  
11 actment of this Act, the Federal Bureau of Investigation  
12 shall study and report to Congress on the feasibility of  
13 providing to airlines access via computer to the names of  
14 passengers who are suspected of terrorist activity by Fed-  
15 eral officials.

16 (b) AUTHORIZATION.—There are authorized to be ap-  
17 propriated not more than \$250,000 to carry out sub-  
18 section (a).

19 **SEC. 1010. TEMPORARY AUTHORITY TO CONTRACT WITH**  
20 **LOCAL AND STATE GOVERNMENTS FOR PER-**  
21 **FORMANCE OF SECURITY FUNCTIONS AT**  
22 **UNITED STATES MILITARY INSTALLATIONS.**

23 (a) IN GENERAL.—Notwithstanding section 2465 of  
24 title 10, United States Code, during the period of time  
25 that United States armed forces are engaged in Operation

1 Enduring Freedom, and for the period of 180 days there-  
2 after, funds appropriated to the Department of Defense  
3 may be obligated and expended for the purpose of entering  
4 into contracts or other agreements for the performance of  
5 security functions at any military installation or facility  
6 in the United States with a proximately located local or  
7 State government, or combination of such governments,  
8 whether or not any such government is obligated to pro-  
9 vide such services to the general public without compensa-  
10 tion.

11 (b) TRAINING.—Any contract or agreement entered  
12 into under this section shall prescribe standards for the  
13 training and other qualifications of local government law  
14 enforcement personnel who perform security functions  
15 under this section in accordance with criteria established  
16 by the Secretary of the service concerned.

17 (c) REPORT.—One year after the date of enactment  
18 of this section, the Secretary of Defense shall submit a  
19 report to the Committees on Armed Services of the Senate  
20 and the House of Representatives describing the use of  
21 the authority granted under this section and the use by  
22 the Department of Defense of other means to improve the  
23 performance of security functions on military installations  
24 and facilities located within the United States.

1 **SEC. 1011. CRIMES AGAINST CHARITABLE AMERICANS.**

2 (a) **SHORT TITLE.**—This section may be cited as the  
3 “Crimes Against Charitable Americans Act of 2001”.

4 (b) **TELEMARKETING AND CONSUMER FRAUD**  
5 **ABUSE.**—The Telemarketing and Consumer Fraud and  
6 Abuse Prevention Act (15 U.S.C. 6101 et seq.) is  
7 amended—

8 (1) in section 3(a)(2), by inserting after “prac-  
9 tices” the second place it appears the following:  
10 “which shall include fraudulent charitable solicita-  
11 tions, and”;

12 (2) in section 3(a)(3)—

13 (A) in subparagraph (B), by striking  
14 “and” at the end;

15 (B) in subparagraph (C), by striking the  
16 period at the end and inserting “; and”; and

17 (C) by adding at the end the following:

18 “(D) a requirement that any person en-  
19 gaged in telemarketing for the solicitation of  
20 charitable contributions, donations, or gifts of  
21 money or any other thing of value, shall  
22 promptly and clearly disclose to the person re-  
23 ceiving the call that the purpose of the call is  
24 to solicit charitable contributions, donations, or  
25 gifts, and make such other disclosures as the  
26 Commission considers appropriate, including

1 the name and mailing address of the charitable  
2 organization on behalf of which the solicitation  
3 is made.”; and

4 (3) in section 7(4), by inserting “, or a chari-  
5 table contribution, donation, or gift of money or any  
6 other thing of value,” after “services”.

7 (c) RED CROSS MEMBERS OR AGENTS.—Section 917  
8 of title 18, United States Code, is amended by striking  
9 “one year” and inserting “5 years”.

10 (d) TELEMARKETING FRAUD.—Section 2325(1) of  
11 title 18, United States Code, is amended—

12 (1) in subparagraph (A), by striking “or” at  
13 the end;

14 (2) in subparagraph (B), by striking the comma  
15 at the end and inserting “; or”;

16 (3) by inserting after subparagraph (B) the fol-  
17 lowing:

18 “(C) a charitable contribution, donation, or  
19 gift of money or any other thing of value,”; and

20 (4) in the flush language, by inserting “or char-  
21 itable contributor, or donor” after “participant”.

22 **SEC. 1012. LIMITATION ON ISSUANCE OF HAZMAT LI-**  
23 **CENSES.**

24 (a) LIMITATION.—

1           (1) IN GENERAL.—Chapter 51 of title 49,  
2           United States Code, is amended by inserting after  
3           section 5103 the following new section:

4   **“§ 5103a. Limitation on issuance of hazmat licenses**

5           “(a) LIMITATION.—

6           “(1) ISSUANCE OF LICENSES.—A State may  
7           not issue to any individual a license to operate a  
8           motor vehicle transporting in commerce a hazardous  
9           material unless the Secretary of Transportation has  
10          first determined, upon receipt of a notification under  
11          subsection (c)(1)(B), that the individual does not  
12          pose a security risk warranting denial of the license.

13          “(2) RENEWALS INCLUDED.—For the purposes  
14          of this section, the term ‘issue’, with respect to a li-  
15          cense, includes renewal of the license.

16          “(b) HAZARDOUS MATERIALS DESCRIBED.—The  
17          limitation in subsection (a) shall apply with respect to—

18                 “(1) any material defined as a hazardous mate-  
19                 rial by the Secretary of Transportation; and

20                 “(2) any chemical or biological material or  
21                 agent determined by the Secretary of Health and  
22                 Human Services or the Attorney General as being a  
23                 threat to the national security of the United States.

24          “(c) BACKGROUND RECORDS CHECK.—



1           “(1) IN GENERAL.—Upon the request of a  
2 State regarding issuance of a license described in  
3 subsection (a)(1) to an individual, the Attorney  
4 General—

5           “(A) shall carry out a background records  
6 check regarding the individual; and

7           “(B) upon completing the background  
8 records check, shall notify the Secretary of  
9 Transportation of the completion and results of  
10 the background records check.

11           “(2) SCOPE.—A background records check re-  
12 garding an individual under this subsection shall  
13 consist of the following:

14           “(A) A check of the relevant criminal his-  
15 tory data bases.

16           “(B) In the case of an alien, a check of the  
17 relevant data bases to determine the status of  
18 the alien under the immigration laws of the  
19 United States.

20           “(C) As appropriate, a check of the rel-  
21 evant international data bases through  
22 Interpol–U.S. National Central Bureau or other  
23 appropriate means.

24           “(d) REPORTING REQUIREMENT.—Each State shall  
25 submit to the Secretary of Transportation, at such time

1 and in such manner as the Secretary may prescribe, the  
2 name, address, and such other information as the Sec-  
3 retary may require, concerning—

4 “(1) each alien to whom the State issues a li-  
5 cense described in subsection (a); and

6 “(2) each other individual to whom such a li-  
7 cense is issued, as the Secretary may require.

8 “(e) ALIEN DEFINED.—In this section, the term  
9 ‘alien’ has the meaning given the term in section 101(a)(3)  
10 of the Immigration and Nationality Act.”.

11 (2) CLERICAL AMENDMENT.—The table of sec-  
12 tions at the beginning of such chapter is amended  
13 by inserting after the item relating to section 5103  
14 the following new item:

“5103a. Limitation on issuance of hazmat licenses.”.

15 (b) REGULATION OF DRIVER FITNESS.—Section  
16 31305(a)(5) of title 49, United States Code, is amended—

17 (1) by striking “and” at the end of subpara-  
18 graph (A);

19 (2) by inserting “and” at the end of subpara-  
20 graph (B); and

21 (3) by adding at the end the following new sub-  
22 paragraph:

23 “(C) is licensed by a State to operate the  
24 vehicle after having first been determined under

1 section 5103a of this title as not posing a secu-  
2 rity risk warranting denial of the license.”.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
4 authorized to be appropriated for the Department of  
5 Transportation and the Department of Justice such  
6 amounts as may be necessary to carry out section 5103a  
7 of title 49, United States Code, as added by subsection  
8 (a).

9 **SEC. 1013. EXPRESSING THE SENSE OF THE SENATE CON-**  
10 **CERNING THE PROVISION OF FUNDING FOR**  
11 **BIOTERRORISM PREPAREDNESS AND RE-**  
12 **SPONSE.**

13 (a) FINDINGS.—The Senate finds the following:

14 (1) Additional steps must be taken to better  
15 prepare the United States to respond to potential  
16 bioterrorism attacks.

17 (2) The threat of a bioterrorist attack is still  
18 remote, but is increasing for a variety of reasons,  
19 including—

20 (A) public pronouncements by Osama bin  
21 Laden that it is his religious duty to acquire  
22 weapons of mass destruction, including chem-  
23 ical and biological weapons;

1           (B) the callous disregard for innocent  
2 human life as demonstrated by the terrorists'  
3 attacks of September 11, 2001;

4           (C) the resources and motivation of known  
5 terrorists and their sponsors and supporters to  
6 use biological warfare;

7           (D) recent scientific and technological ad-  
8 vances in agent delivery technology such as  
9 aerosolization that have made weaponization of  
10 certain germs much easier; and

11           (E) the increasing access to the tech-  
12 nologies and expertise necessary to construct  
13 and deploy chemical and biological weapons of  
14 mass destruction.

15           (3) Coordination of Federal, State, and local  
16 terrorism research, preparedness, and response pro-  
17 grams must be improved.

18           (4) States, local areas, and public health offi-  
19 cials must have enhanced resources and expertise in  
20 order to respond to a potential bioterrorist attack.

21           (5) National, State, and local communication  
22 capacities must be enhanced to combat the spread of  
23 chemical and biological illness.

1           (6) Greater resources must be provided to in-  
2           crease the capacity of hospitals and local health care  
3           workers to respond to public health threats.

4           (7) Health care professionals must be better  
5           trained to recognize, diagnose, and treat illnesses  
6           arising from biochemical attacks.

7           (8) Additional supplies may be essential to in-  
8           crease the readiness of the United States to respond  
9           to a bio-attack.

10          (9) Improvements must be made in assuring  
11          the safety of the food supply.

12          (10) New vaccines and treatments are needed  
13          to assure that we have an adequate response to a  
14          biochemical attack.

15          (11) Government research, preparedness, and  
16          response programs need to utilize private sector ex-  
17          pertise and resources.

18          (12) Now is the time to strengthen our public  
19          health system and ensure that the United States is  
20          adequately prepared to respond to potential bioter-  
21          rorist attacks, natural infectious disease outbreaks,  
22          and other challenges and potential threats to the  
23          public health.

1 (b) SENSE OF THE SENATE.—It is the sense of the  
2 Senate that the United States should make a substantial  
3 new investment this year toward the following:

4 (1) Improving State and local preparedness ca-  
5 pabilities by upgrading State and local surveillance  
6 epidemiology, assisting in the development of re-  
7 sponse plans, assuring adequate staffing and train-  
8 ing of health professionals to diagnose and care for  
9 victims of bioterrorism, extending the electronics  
10 communications networks and training personnel,  
11 and improving public health laboratories.

12 (2) Improving hospital response capabilities by  
13 assisting hospitals in developing plans for a bioter-  
14 rorist attack and improving the surge capacity of  
15 hospitals.

16 (3) Upgrading the bioterrorism capabilities of  
17 the Centers for Disease Control and Prevention  
18 through improving rapid identification and health  
19 early warning systems.

20 (4) Improving disaster response medical sys-  
21 tems, such as the National Disaster Medical System  
22 and the Metropolitan Medical Response System and  
23 Epidemic Intelligence Service.

24 (5) Targeting research to assist with the devel-  
25 opment of appropriate therapeutics and vaccines for

1 likely bioterrorist agents and assisting with expedited drug and device review through the Food and Drug Administration.

4 (6) Improving the National Pharmaceutical Stockpile program by increasing the amount of necessary therapies (including smallpox vaccines and other post-exposure vaccines) and ensuring the appropriate deployment of stockpiles.

9 (7) Targeting activities to increase food safety at the Food and Drug Administration.

11 (8) Increasing international cooperation to secure dangerous biological agents, increase surveillance, and retrain biological warfare specialists.

14 **SEC. 1014. GRANT PROGRAM FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT.**

16 (a) IN GENERAL.—The Office for State and Local Domestic Preparedness Support of the Office of Justice Programs shall make a grant to each State, which shall be used by the State, in conjunction with units of local government, to enhance the capability of State and local jurisdictions to prepare for and respond to terrorist acts including events of terrorism involving weapons of mass destruction and biological, nuclear, radiological, incendiary, chemical, and explosive devices.

1       (b) USE OF GRANT AMOUNTS.—Grants under this  
2 section may be used to purchase needed equipment and  
3 to provide training and technical assistance to State and  
4 local first responders.

5       (c) AUTHORIZATION OF APPROPRIATIONS.—

6           (1) IN GENERAL.—There is authorized to be  
7 appropriated to carry out this section such sums as  
8 necessary for each of fiscal years 2002 through  
9 2007.

10          (2) LIMITATIONS.—Of the amount made avail-  
11 able to carry out this section in any fiscal year not  
12 more than 3 percent may be used by the Attorney  
13 General for salaries and administrative expenses.

14          (3) MINIMUM AMOUNT.—Each State shall be  
15 allocated in each fiscal year under this section not  
16 less than 0.75 percent of the total amount appro-  
17 priated in the fiscal year for grants pursuant to this  
18 section, except that the United States Virgin Is-  
19 lands, America Samoa, Guam, and the Northern  
20 Mariana Islands each shall be allocated 0.25 per-  
21 cent.



1 **SEC. 1015. EXPANSION AND REAUTHORIZATION OF THE**  
2 **CRIME IDENTIFICATION TECHNOLOGY ACT**  
3 **FOR ANTITERRORISM GRANTS TO STATES**  
4 **AND LOCALITIES.**

5 Section 102 of the Crime Identification Technology  
6 Act of 1998 (42 U.S.C. 14601) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (16), by striking “and”  
9 at the end;

10 (B) in paragraph (17), by striking the pe-  
11 riod and inserting “; and”; and

12 (C) by adding at the end the following:

13 “(18) notwithstanding subsection (c),  
14 antiterrorism purposes as they relate to any other  
15 uses under this section or for other antiterrorism  
16 programs.”; and

17 (2) in subsection (e)(1), by striking “this sec-  
18 tion” and all that follows and inserting “this section  
19 \$250,000,000 for each of fiscal years 2002 through  
20 2007.”.

21 **SEC. 1016. CRITICAL INFRASTRUCTURES PROTECTION.**

22 (a) **SHORT TITLE.**—This section may be cited as the  
23 “Critical Infrastructures Protection Act of 2001”.

24 (b) **FINDINGS.**—Congress makes the following find-  
25 ings:

1           (1) The information revolution has transformed  
2 the conduct of business and the operations of gov-  
3 ernment as well as the infrastructure relied upon for  
4 the defense and national security of the United  
5 States.

6           (2) Private business, government, and the na-  
7 tional security apparatus increasingly depend on an  
8 interdependent network of critical physical and in-  
9 formation infrastructures, including telecommuni-  
10 cations, energy, financial services, water, and trans-  
11 portation sectors.

12           (3) A continuous national effort is required to  
13 ensure the reliable provision of cyber and physical  
14 infrastructure services critical to maintaining the na-  
15 tional defense, continuity of government, economic  
16 prosperity, and quality of life in the United States.

17           (4) This national effort requires extensive mod-  
18 eling and analytic capabilities for purposes of evalu-  
19 ating appropriate mechanisms to ensure the stability  
20 of these complex and interdependent systems, and to  
21 underpin policy recommendations, so as to achieve  
22 the continuous viability and adequate protection of  
23 the critical infrastructure of the Nation.

24           (c) POLICY OF THE UNITED STATES.—It is the pol-  
25 icy of the United States—

1           (1) that any physical or virtual disruption of  
2 the operation of the critical infrastructures of the  
3 United States be rare, brief, geographically limited  
4 in effect, manageable, and minimally detrimental to  
5 the economy, human and government services, and  
6 national security of the United States;

7           (2) that actions necessary to achieve the policy  
8 stated in paragraph (1) be carried out in a public-  
9 private partnership involving corporate and non-gov-  
10 ernmental organizations; and

11           (3) to have in place a comprehensive and effec-  
12 tive program to ensure the continuity of essential  
13 Federal Government functions under all cir-  
14 cumstances.

15           (d) ESTABLISHMENT OF NATIONAL COMPETENCE  
16 FOR CRITICAL INFRASTRUCTURE PROTECTION.—

17           (1) SUPPORT OF CRITICAL INFRASTRUCTURE  
18 PROTECTION AND CONTINUITY BY NATIONAL INFRA-  
19 STRUCTURE SIMULATION AND ANALYSIS CENTER.—

20           There shall be established the National Infrastruc-  
21 ture Simulation and Analysis Center (NISAC) to  
22 serve as a source of national competence to address  
23 critical infrastructure protection and continuity  
24 through support for activities related to

1 counterterrorism, threat assessment, and risk miti-  
2 gation.

3 (2) PARTICULAR SUPPORT.—The support pro-  
4 vided under paragraph (1) shall include the fol-  
5 lowing:

6 (A) Modeling, simulation, and analysis of  
7 the systems comprising critical infrastructures,  
8 including cyber infrastructure, telecommuni-  
9 cations infrastructure, and physical infrastruc-  
10 ture, in order to enhance understanding of the  
11 large-scale complexity of such systems and to  
12 facilitate modification of such systems to miti-  
13 gate the threats to such systems and to critical  
14 infrastructures generally.

15 (B) Acquisition from State and local gov-  
16 ernments and the private sector of data nec-  
17 essary to create and maintain models of such  
18 systems and of critical infrastructures gen-  
19 erally.

20 (C) Utilization of modeling, simulation,  
21 and analysis under subparagraph (A) to provide  
22 education and training to policymakers on mat-  
23 ters relating to—

24 (i) the analysis conducted under that  
25 subparagraph;

1 (ii) the implications of unintended or  
2 unintentional disturbances to critical infra-  
3 structures; and

4 (iii) responses to incidents or crises  
5 involving critical infrastructures, including  
6 the continuity of government and private  
7 sector activities through and after such in-  
8 cidents or crises.

9 (D) Utilization of modeling, simulation,  
10 and analysis under subparagraph (A) to provide  
11 recommendations to policymakers, and to de-  
12 partments and agencies of the Federal Govern-  
13 ment and private sector persons and entities  
14 upon request, regarding means of enhancing the  
15 stability of, and preserving, critical infrastruc-  
16 tures.

17 (3) RECIPIENT OF CERTAIN SUPPORT.—Mod-  
18 eling, simulation, and analysis provided under this  
19 subsection shall be provided, in particular, to rel-  
20 evant Federal, State, and local entities responsible  
21 for critical infrastructure protection and policy.

22 (e) CRITICAL INFRASTRUCTURE DEFINED.—In this  
23 section, the term “critical infrastructure” means systems  
24 and assets, whether physical or virtual, so vital to the  
25 United States that the incapacity or destruction of such

1 systems and assets would have a debilitating impact on  
2 security, national economic security, national public health  
3 or safety, or any combination of those matters.

4 (f) AUTHORIZATION OF APPROPRIATIONS.—There is  
5 hereby authorized for the Department of Defense for fiscal  
6 year 2002, \$20,000,000 for the Defense Threat Reduction  
7 Agency for activities of the National Infrastructure Sim-  
8 ulation and Analysis Center under this section in that fis-  
9 cal year.

Passed the House of Representatives October 24,  
2001.

Attest:

JEFF TRANDAHL,

*Clerk.*